

104 E

{S. 40}

292945
Information
Request
Response

COP IEP

US ARMY.
May 13

COPI

CIVIL AERONAUTICS AUTHORITY
 WASHINGTON, D. C.

June 10, 1940.

AIRWORTHINESS MATTER NO. 26

Beechcraft B17, C17, D17, E17 and F17 Series Airplanes

reference to the recent instructions sent to you by telegram, the
 erty wishes to bring to the attention of all owners of the re-
 4 airplanes the necessity of observing the tentative operation in-
 tions. Recent accidents involving certain airplanes of the Beech-
 t model 17 series have been analyzed as probably due to flutter.
 he case the speed involved was only slightly above 180 mph, whereas
 he other cases the speeds were above 200 mph. As you may know,
 ter is an extremely violent form of vibration, liable to cause
 tural failure. It typically occurs only above a certain critical
 ly, varying with the type of airplane and is generally started by
 ively unusual atmospheric conditions. The above noted incidents
 ar to indicate that the critical flutter speed for the subject air-
 t may not appreciably exceed 180 mph. Therefore, if the operational
 is noted in the telegram and below are adhered to the probability
 encountering flutter is believed to be eliminated.

ing completion of a special investigation now in progress at the
 riel Division, Wright Field, Dayton, Ohio, and the establishment of
 al measures, it is required that you observe and post the interim
 tions limitations specified in the telegram and repeated below in
 ment location on the instrument panel in full view of the pilot.
 acrobatic maneuvers should be avoided.

1. Never exceed 160 mph indicated air speed at any time.
2. Reduce to 140 mph in rough air.
3. Instrument flight prohibited.

action contained in our recent telegram and in this bulletin
 tionary measure taken in an effort to aid you in avoiding
 have in no cases led to serious accidents in service.

/s/ J. T. Gray
 A.A.V.

PFE
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(104)

J. T. Gray, Chief
 Aircraft Airworthiness Section

CPH:Gmh

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 May

CONFIDENTIAL

2. THE RESEARCH DESIGN

PFE
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(Red)

22

ORIGINAL
Recd

RETURN THIS STUB TO:
BUDGET OFFICE,
WRIGHT FIELD,
DAYTON,
OHIO

ENGINE DATA	1-21-43 DATE	Rolling Field STATION	PFE ORIGINAL	CREW CHIEF OR AERIAL ENGINEER DATE	AIR FORCE
					COMMAND. CORP'S AREA OR DEPT.
AIRPLANE DATA	1st Mapping Gr. GROUP NO. AND TYPE	3rd	16th Photo. Sq. SQUADRON NO. AND TYPE	F COMPONENT	C-72N AIRPLANE MODEL
					42-94143 AIRPLANE SERIAL NO.
ENGINE DATA	1102 ENGINE SERIAL NO.	1102 ENGINE SERIAL NO.	1102 ENGINE SERIAL NO.	1102 ENGINE SERIAL NO.	1102 ENGINE MODEL
					1102 ENGINE SERIAL NO.

DO NOT WRITE IN THIS SPACE

ORIGINAL
(Red)

ORIGINAL
PAGE 1

ARMY AIR FORCES
MATERIEL CENTER

24-2723 to Contract Section,
November 26, 1942.

MEMORANDUM REPORT ON

rim 87-9

Date November 26, 1942

SUBJECT: Contract W 535 ac-33218.

SECTION Contract Section.

SERIAL No. CM-2723.

Contract No.

Expenditure Order No.

Purchase Order No.

1. Forwarded herewith, for the action of the Commanding General, AF Materiel Command, and recommending approval under the provisions of the First War Powers Act, 1941, and Executive Order No. 9001, December 27, 1941, are one number and two cover sheets of Contract # 535 ac-33218 with Jacobs Aircraft Engine Company, Pottstown, Pennsylvania, covering the purchase of Parts for Maintenance and Repair of Jacobs L-4MB Engines, at a total cost of \$3,014,359.38.

2. The following information is submitted in connection with this proposed procurement:

a. The contractor is the designer and sole manufacturer of Jacobs L-4MB engines and parts for maintenance and repair thereof.

b. These articles are listed for procurement under Classification 02-G, are required for the maintenance and repair of Jacobs L-4MB Engines, are chargeable to Project 96 - 1942-43 Program and are to apply on Requisition RFDA No. 326-DA/A-198 and 222.

c. The prices are contractor's standard parts list prices and are considered fair and reasonable. Deliveries are not conditioned upon additional facilities being provided.

d. Competition is impracticable since the articles called for are proprietary with the contractor who is the sole manufacturer thereof, and the particular articles called for and required cannot be obtained elsewhere than from said contractor and said articles are the only articles that will meet the needs of the Government in this particular instance.

e. Article 39 of the contract incorporates the provisions relating to renegotiation.

PFE
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M-2723 to Contract Section,
November 26, 1942.

TO: CONTRACT SECTION

SUBJECT:

SOURCE: Contract W 535

2. Contractor's quotation submitted in response to Invitation R-42-786, its letters dated May 27, 1942, August 11, 1942 and September 2, 1942, containing its quotations, are forwarded herewith for ready reference.

3. An extra copy of the contract marked "Advance Copy" is also forwarded herewith and may be retained.

5 Incls. as follows:

1. Contract W 535 ac-33218 (2 cover sheets and 1 original number) and "Advance Copy"
2. Contr's quo submitted in resp. to Inv. R-42-786
3. Contr's ltr dated 5-27-42
4. Contr's ltr dated 8-11-42
5. Contr's ltr dated 9-2-42

Reference:

Distribution: Commanding General,
AAF, Materiel Command,
Washington, D. C.

Prepared by *M. C. Harding*
M. C. (Name) HARDING, CAPT., A.C.,
Contracting Officer.

Approved by *A. E. Jones*
A. E. JONES, BRIG. GENERAL, U.S.A.,
Chief, Contract Section.

Approved by *Winston Wheeler*
WINSTON WHEELER,
Captain, Air Corps,
Asst. Technical Executive

PFE
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(Red)

AFAMC-4A

ORIGINAL
(Red)

November 30, 1942

MEMORANDUM FOR: Colonel W. F. Vollandt

SUBJECT: Contract W 535 ac-33218

Proposed contract with Jacobs Aircraft Engine Co., Pottstown, Pa.,
for purchase of Parts for Maintenance and Repair of Jacobs L-41B Engines,
at a total cost of \$3,014,359.38.

The prices are contractor's standard parts list prices and/considered
fair and reasonable.

Delivery - To begin forthwith on date of approval of this contract.

Shipped delivery data shown on Exhibit B attached to contract.

Additional facilities will not be required.

These articles are chargeable to Project 96 - 1942-43 Program and are
apply on Requisition RFDA No. 326-DA/A-198 and 222.

ANMB Preference Rating A-1-A has been assigned.

Please return to Contract Section after signature.

[Handwritten signature]

[Handwritten initials]

PFE

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(Red)

INTER-OFFICE MEMORANDUM

ARMY AIR FORCES
MATERIEL CENTER
Office of The Commanding General

JMS:BJ:36

Wright Field, Dayton, Ohio

Date November 30, 1942.

ORIGINAL
(Red)

TO: Commanding General
AAF Materiel Command
Washington, D. C.

SUBJECT: Contract W 535 ac-32745
w/Jacobs Aircraft Engine Company

1. Forwarded herewith is letter to the Under Secretary of War, prepared for signature in your office, transmitting two (2) Cover Pages, and one (1) number of contract W 535 ac-32745 with Jacobs Aircraft Engine Company, Pottstown, Pennsylvania, covering the proposed procurement of 700 Engines, AAF Model R-755-9, Spare Parts and Data for a total price of \$11,505,375.00.

2. An extra copy of the contract marked "Advance Copy" is forwarded herewith for the files of your office.

3. This is the contract contemplated by Letter Contract Special Form dated August 29, 1942, and supersedes letter contract as provided in Article 45 of the contract.

Enclosures
Ltr to Under Sec'y
w/enclosures
Adv.Oy. Cont. ac-32745

A. E. JONES,
Brig. General, U.S.A.
Chief, Contract Section.

Winston Wheeler

WINSTON WHEELER
Captain, Air Corps,
Ass't. Technical Executive

Signature

PFE
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(Red)

Written December 4, 1942

Office of Commanding General, AAF Materiel Command

REPLY: Contract W 535 ac-32745
w/Jacobs Aircraft Engine Company *XU 95*

AAF #20

The Under Secretary of War

1. Forwarded herewith recommending approval under provisions of the War Relocation Act, 1942, and Executive Order No. 9001, December 27, 1941, are two Cover Pages, and one (1) number of contract W 535 ac-32745 with Jacobs Aircraft Engine Company, Pottstown, Pennsylvania, covering the proposed procurement of 2700 engines, AAF Model R-755-9, Spare Parts and data for a total price of \$11,505,375.00.

2. The following information is submitted in connection with the clearance of this contract:

a. Material:
2700 AAF Model R-755-9 Engines
Spare Parts (25%)

b. Unit Price:
\$5,409.00
\$2,301,075.00 (Total)

c. Total Contract Value:
\$11,505,375.00

<u>d. Deliveries:</u>	<u>Quantity</u>	<u>During Month Of</u>
	150 engines	June 1943
	150 additional	July 1943
	415 additional	August 1943
	600 additional	September 1943
	600 additional	October 1943
	600 additional	November 1943
	185 remaining	December 1943

Spare Parts Prior to or concurrently with delivery of engines.

CMC-4A
18
ORIGINAL
(17-2)

December 4, 1942

Chief, Contract Section
Wright Field, Dayton, Ohio

Contract W 535 ao-33218

1. Forwarded herewith as approved November 30, 1942 by the Commanding General, Materiel Command, are one number and two cover sheets of the above subject with Jacobs Aircraft Engine Company.

X 095

F. WORKUM
Major, Air Corps
Chief Contract Section

Incls:

- Cy. CM-2723
- Cont. ao-33218 (1) w/
2 cover sheets
- Contr's quo submitted
in resp. to Inv. R-42-786
- Contr's ltr. 5-27-42
- Contr's ltr. 8-11-42
- Contr's ltr. 9-2-42

CMC:bam

A-1/AS
A-2/AS
Intel. S.
A-3/AS
A-4/AS
Plans/AS
Insp/AS
Mil. Req.
A. Def.
Bomb.
Gr. Sup.
Base S.
War O&M
Ind. Tr.
Tech. S.
Comm.
Weather
Traffic
Photo. M&C
Tech. Insp.
Pub. Rel.
Dir. Pers.
Mil. Pers.
Civ. Pers.
Surg.
J. Advoc.
Budget
Fiscal
Mgmt. Con.
Adj. Gen.
Org. Pl.
Stat. Pl.
Leg. Pl.
Mat. C. 20
A. S. C.
F. C.

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December 4, 1942

MEMORANDUM FOR: General Echols

SUBJECT: Contract W 535 ac-32745

Proposed Contract with *X 275* Jacobs Aircraft Engine Company, Pottstown, Pennsylvania, covers the proposed procurement of 2700 R-755-9 Engines, Spare Parts and Data for a total price of \$11,505,375.00.

Current Price
\$3,409.00

Previous Price
\$3,410.45

Price considered fair and reasonable. A substantial reduction could not be offered for these additional engines. A more favorable price might be possible with this contractor if it were not for his financial position requiring cash reserves to meet tax obligations.

These engines are being procured on the Fiscal Year 1943 Program.

The deliveries specified in this contract are not contingent upon additional facilities being provided by the Government.

Delivery
Quantity

150 each	During Month of
415	June & July 1943
600 each	August 1943
185 remaining	September 1943 thru November 1943
Spare Parts	December 1943

Prior to or concurrently with delivery of engines.

ANMB Preference Ratings AA-1 and A-1-A have been assigned this contract.

Contract supersedes Letter Contract Special Form dated August 29, 1942 approved September 8, 1942 by the Special Representative of the Under Secretary of War.

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(4) 452.13 Jacobs Program

AFV-7

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DEC 5 - 1942

Jacobs Aircraft Engine Company
Plant No. 2
Pottstown, Pennsylvania

Attention: Mr. D. P. Turner
Vice President

Re: Planer No. 164

Continuation:

Reference is made to your letter of November 14, 1942, addressed to the Defense Plant Corporation, requesting approval of the loan to your subcontractors of certain equipment, and also to letter of November 28, 1942, from the Defense Plant Corporation approving such loan.

Pursuant to Paragraph Nineteen of your Agreement of Lease, the Army Air Forces, on behalf of the War Department, hereby approves the loan by your company of such equipment.

Very truly yours,

Frederick M. Hopkins, Jr.,
Brigadier General, U. S. A.,
Assistant Chief of Staff (R)

Tools Br., PHS,
Steels Bldg., Dayton, O.

Maj. F. T. Hammond

NEW, R. 3510, Munitions Bldg. D'C DEC 5 1942

M. W. L. Drager, DPC

DISPATCHED

65

TADeM:JB

A-1/AS
A-2/AS
Intl. S.
A-3/AS
A-4/AS
Plant/AS
Insp/AS
Mil. Req.
A. Del.
Bank
Gr. Sup.
Base S.
War O&M
Ind. Tr.
Tech. S.
Comm.
Weather
Traffic
Photo. M&C
Tech. Insp.
Pub. Rel.
Dir. Pers.
Mil. Pers.
Civ. Pers.
Surg.
J. Advoc.
Budget
Fiscal
Mgmt. Con.
Adj. Gen.
Org. Pl.
Stat. Pl.
Leg. Pl.
Med.
A. S. C.
F. C.

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(Red)

Jacobs Aircraft Co. 1st Ind.

Air Force Procurement Liaison Branch, Purchases Div., Dec. 8, 1942.

To: The Commanding General, Materiel Command, Army Air Forces.

1. Attention is invited to the attached one (1) number and two (2) cover sheets of Contract W 535 ac-32745 with Jacobs Aircraft Engine Company, Pottstown, Pennsylvania, approved by Special Representative of the Under Secretary of War December 7, 1942.

By direction of the Under Secretary of War:

Park Holland,
Colonel, Air Corps,
Chief of Branch.

4 Incls:
Statistical report w/d

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ORIGINAL
(Red)

W H:ham

Subject: Contract W 535 ao-32745

2nd Ind.

AFAIC-44AS

Department, Army Air Forces, Headquarters, Materiel Command, Washington, D.C., December 11, 1942. To: Commanding General, Materiel Center, Wright Field, Dayton, Ohio.

1. Returned herewith as approved December 7, 1942 by The Special Representative of the Under Secretary of War, are one number and two covers of the above subject, with Jacobs Aircraft Engine Company.

By Order of the Commanding General, Materiel Command:

W. F. VOLANDT
Colonel, Air Corps
Assistant Chief of Staff (G)

hals:
n/o

Encls: 1
1. Encls 1tr. fr. Mat. Command, AAF to U.S.W. 12-5-42
2. 1st Ind. fr. AF Procurement Liaison Br., Pur. Div. to CG, M.C. 12-8-42
3. 2nd Ind fr. AAF Hqs, M.C. to CG, M.C. 12-11-42

A-1/AS
A-2/AS
Intel. S.
Wright
A-4/AS
AS
Insp/AS
Mil. Req.
A. Def.
Bomb.
Gr. Sup.
Base S.
War O&M
(G)
Tech. S.
Comm.
Weather
Traffic
Photo. M&C
Tech. Insp.
Pub. Rel.
Dir. Pers.
Mil. Pers.
Civ. Pers.
Surg.
J. Advoc.
Budget
Fiscal
Mgmt. Con.
Adj. Gen.
Org. Pl.
Stat. Pl.
Leg. Pl.
Mat. C.
A. S. C.
F. C.

PFE

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WAR DEPARTMENT
ARMY AIR FORCES
MATERIEL CENTER
OFFICE OF THE COMMANDING GENERAL

BOX/ISH

WRIGHT FIELD, DAYTON, OHIO

December 21, 1942

ORIGINAL
(Red)

JACOBS AIRCRAFT ENGINE COMPANY

POTTSVILLE, PENNSYLVANIA

Items:

The War Department will place a formal contract with you, in connection with the War Program, funds appropriated and now available, for the purchase of the following articles:

- Item 1 - 5,000 Ea., Jacobs Aeronautical Engine, Contractor's Model No. L-4MBB, Army Air Forces Model No. R-755-7, each complete and manufactured in accordance with Contractor's Specification No. 1243-A, dated October 22, 1941. A suitable tool kit shall be furnished with each engine. The engines shall be prepared for storage in accordance with Specification AN-F-3-563.
- Item 2 - Spare Parts for engines under Item 1 in an amount equal to 36.2% of the total money value of Item 1. Spare Parts shall be prepared for storage in accordance with Specification AN-F-13, dated August 17, 1942.
- Item 3 - Engineering Data not previously furnished, but necessary to bring previously furnished data up-to-date.

Total Estimated Cost of Items 1 to 3, inclusive - - - \$23,222,100.00

The Secretary of War finds that in the interests of the War Program it is necessary that production be delayed awaiting the placing of the aforesaid formal contract. You are hereby authorized to purchase jigs, dies, tools and fixtures, and such materials and equipment as are necessary for the production of the articles above referred to, and to proceed forthwith with the production thereof. Pending negotiation of prices for articles to be produced by you, you are authorized to make necessary expenditures not to exceed the sum of \$66,630.00, or 30% of the total estimated cost, subject to approval by the Contracting Officer for you to proceed with such purchases. Request for such approval by the Contracting Officer will be accompanied by a list of items proposed to be procured together with estimated maximum prices therefor. The clauses herein referred to contemplate the entering into by you of subcontracts for the material or work involved.

In the event the formal contract for the articles referred to above is not placed with you prior to March 1, 1943, the Government will, upon demand made by you prior to April 1, 1943, reimburse you for costs incurred and assume obligations for commitments made by you in accordance with the provisions set forth in the second paragraph hereof. Upon payment and assumption of your commitments by the Government, title to such material and equipment, including rights under commitments assumed, will vest in the Government.

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You agree, in connection with the purchase of such materials and equipment referred to herein, that will comply with all laws pertaining to the purchase of such materials and equipment. All applicable contract as required by Federal law to be incorporated in contracts for articles of the kind herein contracted for are incorporated by reference. The exact unit prices to be paid, the dates of delivery, and other contractual terms will be negotiated between you and the United States Government.

The formal contract and/or Purchase Order referred to in this letter shall be designated as
535 ac-32745, Supplemental Agreement No. 1

If the foregoing is acceptable to you, will you kindly so indicate on the original and two copies of this and return same to the Contracting Officer on or prior to January 2, 1943, thereby constituting this letter a contract, subject, however, to the approval of the Under Secretary of War.

Very truly yours,

/s/ **WM. Mitchell**
 (Name) **WM. MITCHELL, CAPTAIN, AIR CORPS**
 (Rank) Contracting Officer

RECEIVED: 12-21 1942

JACOBS AIRCRAFT ENGINE COMPANY
 (Name of Contractor)

POTTSTOWN, PENNSYLVANIA
 (Address)

/s/ **Harry M. McGadgen** Vice-President
 (Name)
 (Official Title)

Contract No. **535 ac-32745, Supp. Agree. #1**
 Purchase Order No.
 Authority for Purchase No. **315960**
 Priority Rating **AA-1**
 Location Class
 Equipment Class **Engines-02-A; Spares-02-G**
 Type of Contract **Fixed Price**
 Program

The sum referred to in the second paragraph is chargeable against the following Procurement Authorities, the available balances of which are sufficient to cover the same:

AC 3005 P 110-09 A 0705-23	- - - - -	\$13,114,860.00
AC 3006 P 121-09 A 0705-23	- - - - -	\$ 3,935,140.00
AC 3006 P 122-09 A 0705-23	- - - - -	\$ 6,172,100.00

Approval recommended:
January 7th, 1943
 By the Commanding General, Materiel Command

APPROVED: Jan. 9, 1943
 By direction of the Under Secretary of War:

/s/ **A. F. Volandt**

/s/ **Albert J. Browning**

A. F. VOLANDT
 Colonel, U. S. A.

Assistant Chief of Staff (C)

Albert J. Browning
 Colonel, General Staff Corps,
 Special Representative of the
 Under Secretary of War

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REPRODUCED AT THE NATIONAL ARCHIVES
INTER-OFFICE MEMORANDUM

ARMY AIR FORCES
MATERIEL CENTER
Office of The Commanding General

C:em

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(Red)

Wright Field, Dayton, Ohio

Date December 24, 1942

Commanding General
AAF Materiel Command
Washington, D. C.

SUBJECT: Letter Contract Special Form
Contract Supplement to W535 ac-32745
(Jacobs Aircraft Engine Company)

7433

1. Forwarded herewith is letter to the Under Secretary of War, prepared for signature in your Office, transmitting three (3) numbers of subject Letter Contract, Special Form, dated December 21, 1942, accepted by the Jacobs Aircraft Engine Company December 21, 1942, covering the procurement of 5,000 Model L-4MSB, Army Air Forces Model B-755-9 engines, plus 36.2% of the total estimated money value in spare parts, and engineering data not previously furnished but necessary to bring previously furnished data up to date. The letter permits the contractor to make commitments for an amount not to exceed \$6,966,630.00, or approximately 30% of the total estimated cost of the engines.

2. It is proposed that these additional engines be secured under Supplemental Agreement No. 1 to Contract W535 ac-32745, negotiations having been started, but not as yet completed. The Materiel Center has requested the contractor to make a substantial reduction in the unit price to be quoted for these engines and contractor has unofficially advised that he expects to make approximately a \$500.00 reduction per unit.

3. Four additional copies of the subject Letter Contract, Special Form, are forwarded for your use.

A. E. JONES
Brig. General, U.S.A.
Chief, Contract Section

Incls:

- (1) Ltr to Under Sec'y
w/encls
- (2) Ltr Cont.Spec.Form (2)

Signature

A. E. Jones

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8-12-783

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(Red)

The Under Sec'y of War
Cont. ac-32745 w/Jacobs Aircraft Engine Company

REC 6-10-42

3. The following additional information is submitted in connection with proposed procurement

- a. The Jacobs Aircraft Engine Company is the designer and sole manufacturer of the engines proposed for procurement.
- b. The engines proposed for procurement appear on the Fiscal Year 1943 Program, and are necessary in the interest of the War Effort.
- c. The engines proposed for procurement are to be used as follows:
1800 installation engines for 900 C-78 airplanes F.Y.1943 I Program
900 spare engines for above airplanes F.Y.1943 I Program
- d. Item 3(b) under Article 15 of the contract provides for a credit of \$5.00 per box for all previously used shipping boxes as are agreed upon to be usable for further shipments under this contract.
- e. Article 43 of the contract provides for partial payments up to 75% of the cost to the Contractor of property upon which payment is made.
- f. The deliveries specified in this contract are not contingent upon additional facilities being provided by the Government.
- g. The unit price of \$3,409.00 for the engines on subject contract is \$1.45 less than the unit price for a quantity of 2517 similar engines procured under contract W 535 ac-29255. A substantial reduction could not be offered for these additional engines for reasons as stated in his letter of August 26, 1942, attached hereto. A more favorable price might be possible with this contractor if it were not for his financial position requiring cash reserves to meet tax obligations. Under the circumstances, the price quoted is considered fair and reasonable.

4. The contractor's letters dated August 27, two dated August 26, and October 8, 1942, quoting conditions and prices on which this contract was negotiated, are forwarded herewith for ready reference.

O. P. ENCHOLS
MAJOR GEN., U.S.A.
COMMANDING GENERAL

Enclosures

Cont. ac-32745 (1)
Cover Pages " (2)
Jacobs ltrs two 8-26-42
one ea 8-27-42 & 10-8-42
Statistical Report

Out by Special Messenger

ORIGINAL
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Out by Special Messenger

AA 7-20

AFAC-4A

CR: dco

(SPECIAL DELIVERY)

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JAN 9 1943

SUBJECT: Letter Contract Special Form
Contract Supplement to W535 ac-32745
(Jacobs Aircraft Engine Company)

The Under Secretary of War

1. Forwarded herewith recommending approval are three (3) numbers of subject Letter Contract, Special Form, dated December 21, 1942, accepted by the Jacobs Aircraft Engine Company, Hatfield, Pennsylvania, December 21, 1942, covering the procurement of 5,000 Model L-4:13H, Army Air Forces Model 755-9 engines, plus 36.2% of the total estimated money value in spare parts, and engineering data not previously furnished but necessary to bring previously furnished data up to date. The letter permits the contractor to make commitments for an amount not to exceed \$6,966,670.00, or approximately 1% of the total estimated cost of the engines.

2. The total estimated cost in the Letter Contract, Special Form, was based on an estimated unit price of \$3,410.00. This estimated unit price is considered fair and reasonable and is consistent with the price paid for each of the same type engines procured under contract W535 ac-32745, which was approved by the Under Secretary of War on December 9, 1942.

3. Approval of the Letter Contract, Special Form, will enable the contractor to proceed with the production of these engines without delay. The proposed Supplement No. 1 to contract W535 ac-32745 has not been written. These negotiations, while started, have not been completed. Such negotiations presently indicate a substantial reduction from the above price.

4. The approval of the Letter Contract will be under the provisions of the First War Powers Act, 1941, and Executive Order No. 9001, December 27, 1941.

5. These engines are being assigned to the AT-17 airplane, but no definite program has been assigned.

6. ARMS Preference Rating A-1 has been assigned.

7. It is recommended that this Letter Contract, Special Form, be cleared and approved.

For the Commanding General, Materiel Command

2 enclos

1. Ltr Cont.Spec.Form (3)
2. Ltr Cont.Spec.Form for GEN (2)

W. F. VOLANDT

Colonel, L. C.

Assistant Chief of Staff

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Jacobs Aircraft Co.

1st Ind.

Air Force Procurement Liaison Branch, Purchases Div., Jan. 9, 1943.

To: The Commanding General, Materiel Command, Army Air Forces.

1. Attention is invited to the attached three (3) numbers of Letter Contract Special Form Contract Supplemental to W 535 ac-32745 with Jacobs Aircraft Engine Company, Pottstown, Pennsylvania, approved by Special Representative of the Under Secretary of War this date.

By direction of the Under Secretary of War:

Park Holland,
Colonel, Air Corps,
Chief of Branch.

Incl.

Incl. #2 w/d

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SUBJECT: Letter Contract Special Form
Contract Supplement to W 535 ac-32745
(Jacobs Aircraft Engine Company)

2nd Ind.

Department, Army Air Forces, Headquarters, Materiel Command, Washington, D. C. January 11, 1943. TO: Commanding General, Materiel Center, Wright Field, Dayton, Ohio.

1. Returned herewith approved January 9, 1943, by Special Representative of the Under Secretary of War, are three (3) numbers of subject letter contract special form dated December 21, 1942, covering the procurement of 15,000 Model L-4MBB, Army Air Forces Model B-755-S engines.

By order of the Commanding General, Materiel Command:

R. F. VOLLMER
Colonel, Air Corps
Assistant Chief of Staff

Encl:
Ltr. Cont. Spec. Form (3)

Basic Ltr. Fr. AAF Mat. Com to CUSW 1-9-43
1st Ind. AF Pro Lias Br. Fut. Div. C. G. Mat. Com. AAF 1-9-43

MAJ GEN MASH D'C
ARMY AIR FORCES
MATERIEL COMMAND

122 7M 13

011*

A-1/AS
A-2/AS
Intel. S.
A-3/AS
A-4/AS
Plans/AS
Insp/AS
Mil. Req.
A. Def.
Bomb.
Gr. Sup.
Base S.
War O&M
Ind. Tr.
Tech. S.
Comm.
Weather
Traffic
Photo. M&C
Tech. Insp.
Pub. Rel.
Dir. Pers.
Mil. Pers.
Civ. Pers.
Surg.
J. Advoc.
Budget
Fiscal
Mgmt. Con.
Adj. Gen.
Org. Pl.
Stat. Pl.
Leg. Pl.
Mat. C. <i>See</i>
A. S. C.
F. C.

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(Red)

WAR DEPARTMENT
HEADQUARTERS OF THE ARMY AIR FORCES
WASHINGTON

AIR AG 16
JAN 16 1943

January 15, 1943

MEMORANDUM for Assistant Chief of Staff, G-1:

Subject: Appointment of Contract Officers in the Army
Air Forces.

I. Discussion.

1. Two separate Army Air Forces agencies are, at the present time, appointing Contract Officers in the Army Air Forces. Each agency quotes a different regulation as its authority for such appointments.

2. The Military Personnel Division, under the Director of Personnel, Headquarters Army Air Forces, is constantly handling a large amount of administrative paper work involving recommendations from units and detachments in the field for the appointment of Contract Officers. These recommendations are processed without questioning and this Headquarters has no knowledge regarding the Contract Officers except the recommendations submitted. This Headquarters appoints Contract Officers under the provisions of W. D. Circular 59, Washington, D. C., March 2, 1942, subject: "War Department Reorganization", for duty with Air Forces units other than the Materiel Command. Copy of W. D. Circular 59, Washington, D. C., March 2, 1942, is attached.

3. The Commanding General, Materiel Command, A.A.F., appoints Contract Officers under Procurement Regulation No. 3, November 19, 1942, section 1, paragraph 302.3, for duty within the Materiel Command, Army Air Forces. This regulation specifically delegates appointing authority to the Commanding General, Materiel Command, Army Air Forces, and does not mention any other authority within the A.A.F. Procurement Regulations are initiated by the Services of Supply. Copy of paragraph 302.3, Procurement Regulations No. 3, November 19, 1942, is attached.

4. Procurement Regulation No. 3, November 19, 1942, amended Procurement Regulation No. 1, July 1, 1942, which in turn superseded the following A.R.s:

5-5	5-160	5-240	5-320
5-50	5-200	5-260	5-340
5-100	5-220	5-300	5-360
5-140			



PFE

ORIGINAL
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(1) 161 Contract Officer

all of which pertain to the duties of the Assistant Secretary of War as to Procurement of Supplies, Disposition of Surplus and Salvage Property and Inspections.

5. It is believed by this Headquarters that continuance of a procedure which permits a component of the Army of the United States, the S.O.S., to delegate administrative power direct to a subordinate element of another component of the Army of the United States, the A.A.F., is neither proper nor in the interest of efficient administration. Much time, effort, and paper work will be saved if the regulations involved could be amended to allow this Headquarters to delegate the appointing authority to Commanding Generals of Air Forces and Similar Commands and Theater Commanders.

II. Recommendations.

1. a. It is recommended that line (d), paragraph 302.3, Section 1, Procurement Regulation No. 3, November 19, 1942, be amended to read "The Commanding General, Army Air Forces" instead of "The Commanding General, Materiel Command, Army Air Forces". It is further recommended that a paragraph be added granting the Commanding General, Army Air Forces specific power to redelegate the authority to appoint Contract Officers.
- b. Assuming the recommendations in paragraph 1a are accepted it is requested that the Director of Personnel, Army Air Forces be designated as the Army Air Forces agency to redelegate the authority to appoint Contract Officers.

For the Chief of the Air Staff:

Incl:2

Cy WD Cir. 59, Wash.D.C.,
March 2, 1942.
Cy par.302.3, Proc.Reg.No.3,
Nov. 19, 1942.

F. TRUBEE DAVISON
Colonel, G. S. C.,
Asst. Chief of the Air Staff, A-1

PARAGRAPH 302.3, SECTION I, PROCUREMENT REGULATION NO. 3.

November 19, 1942.

"(302.3) Contracting officer. - A contracting officer is an officer or civilian official of the War Department who has been designated by any one of the following persons, or by their direction, or in accordance with such orders and regulations as they may prescribe for their respective commands, to execute contracts on behalf of the United States:

- (a) The Secretary of War
- (b) The Under Secretary of War
- (c) The Commanding General in a Theatre of Operations
- (d) The Commanding General, Materiel Command, Army Air Forces
- (e) The Director, Purchases Division, Services of Supply
- (f) The Chief of any Supply Service."

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WAR DEPARTMENT
HEADQUARTERS OF THE ARMY AIR FORCES
WASHINGTON

AAF #1

AAF TECHNICAL SUPERVISOR
MITCHEL FIELD,
HEMPSTEAD, NEW YORK.

January 22, 1943.

SUBJECT: ACTION LETTER - L-5 Jacobs Motor Serial 1102 installed
Y452.1 in C-72N aircraft (Civilian designated C-17)

TO : Commanding General, Army Air Forces, Washington, D.C.
(Thru: Commanding Officer 16th Photographic Squadron,
(1st Mapping Group) Bolling Field, Washington, D.C.)

1. The subject airplane was inspected during the current technical inspection of all activities, Bolling Field Air Base, January 16-23, 1943, during the course of which it was learned from the Assistant Squadron Engineering Officer that this engine had well over 2000 hours, and that the last major engine overhaul was in 1939. However, the total hours shown on Form 41B indicated only 350:20 hours at the time.

2. These conditions are contrary to Airworthiness Maintenance Bulletin No. 42, dated Jan. 10, 1941, copy attached, and Airworthiness Maintenance Bulletin No. 26, dated June 10, 1940, copy attached, wherein it is recommended as a precautionary safeguard, that the master rods in all Jacobs L-5 engines of this series be changed. Upon checking this particular engine, it was found that the master rod had never been changed. It was further learned from the Engineering Officer that this airplane has flown many times when Form 41B carried a red cross symbol indicating its unairworthiness, having been released for flight by persons/known to and without the knowledge of the Engineering Officer.

3. In the interest of safety to personnel, life and property, and for adherence to standard AAF practices in inspection and maintenance of aircraft, it is deemed necessary for some explanation of why these conditions as stated above were allowed to exist unaltered in this instance.

Clifton C. Hutchinson
CLIFTON C. HUTCHINSON
Colonel, A.C.
AAF Technical Supervisor

ACTION LETTER

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FOR THE COMMANDING GENERAL

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C.M.I. - HQ, AAF

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EXT. AFF.
ADM. SERV.
PERS.
CORRESP.
FIN.
INSPECTION
INTELLIGENCE
LEGAL
NARS <i>[Signature]</i>
MEDICAL
MILITARY PERS.
PLANS
TRAIN & OPER.
W. CON. ACROB.

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Joe

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NND 731033-2
BY SP-6 MCF/ML
NARS, DATE 4-12-93

REPRODUCED AT THE NATIONAL ARCHIVE

ORIGINAL
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AAF #21

February 18, 1943

Chief, Procurement Division
Wright Field, Dayton, Ohio

Short Term Contract # 535 ac-37168
(Order 43-20872)

1. Returned herewith, as approved February 15, 1943 by the
Commanding General, Materiel Command, are one number and two sheets No. 5
subject contract with Jacobs Aircraft Engine Company.

X095

F. J. BARNUM
Lt. Colonel, Air Corps
Chief, Contract Section

Contr. ac-37168
(43-20872) (1)
1/2 sheets No. 5

43-20872-13 Jacobs

OL	1	2	3	4	5	6
AFM-4A						
7-1						
1-1						

ARMY AIR FORCES
MATERIEL CENTER

MEMORANDUM REPORT ON

67-9-1w

Date February 9, 1943

ECT Short Form Contract W 535 ac-37168
(Order 43-20872-UN)

ION Contract Section

AL No. CM-2941

Contract No.

Expenditure Order No.

Purchase Order No.

649

1. Forwarded herewith, for the action of the Commanding General, Materiel Command and recommending approval under the provisions of "First War Powers Act, 1941" and Executive Order No. 9001, December 1941, are one complete signed number and Sheet 5 of the two (2) numbers of proposed short form Contract W 535 ac-37168 (Order 20872-UN) with Jacobs Aircraft Engine Co., Pottstown, Pennsylvania, for the purchase of Jacobs Maintenance Parts for R-755-9 Engines, a total cost of \$1,770,338.03.

2. The following information is submitted in connection with this proposed procurement:

a. This equipment is being procured in the interest of the War Program.

b. The contractor is the designer and sole manufacturer of Jacobs R-755-9 Engines and maintenance parts therefor. These parts are listed for procurement under Project No. 96, 1942-43 Program and are required for the maintenance and repair of R-755-9 Engines.

c. The prices are contractor's standard parts list prices, have been compared with previous procurements of similar and comparable items and have been found to be fair and reasonable. Deliveries are not conditioned upon additional facilities being provided.

d. Competition is impracticable since the articles called for are proprietary with the contractor who is the sole manufacturer thereof, and particular articles called for and required cannot be obtained elsewhere than from said contractor and said articles are the only articles that will meet the needs of the Government in this particular instance.

DATA 1	10
2	723
3	2

5-2-564

tract Section HEADQUARTERS OF THE ARMY, 1911-1912
2941
-43

3. An extra copy of the short form contract marked "Advance Copy" also forwarded and may be retained.

no. Short Form Contract
535 ac-37168 (Order 43-20872-UN)
Sheet 5 (in dup) and Adv Cy

Prepared by M. C. HARDING, MAJOR, A.C.
Contracting Officer

Approved by: JOHN G. SALSVAN, COL., A.C.
Acting Chief, Procurement Division

Approved by D. O. Montgomery, 2nd Lt., A-2

On:
 Standing General
 Materiel Command
 Arlington, D. C.

5-2-564

ORIGINAL
(130)

1st Ind.

PHOTOGRAPHIC SQUADRON (SP), BOLLING FIELD, D.C., February 25, 1943.

The Commanding Officer, Bolling Field, D.C. Thru the Commanding Officer,
Mapping Group, Bolling Field, D.C.

1. According to information obtained from the airplane's Engine
Books, and A.A.F. Forms 60A, and 60B engine time of 350:20 as shown
the Form 41B is correct.

2. The forked type master rods as referred to in Airworthiness
Maintenance Bulletin #42 have not been changed due to the fact that the
engine has not reached its overhaul time of 500 hours which is the time
forth for the installation of the new rods.

3. Inspection of all Forms 1A for this airplane failed to indicate
subject airplane flew on red cross.

T. D. Brown
T. D. BROWN,
Major, Air Corps,
Commanding.

Incls.

- Action letter
- Bulletin #26
- Bulletin #42
- Carbon Copy

2nd Ind.

HEADQUARTERS, 1ST MAPPING GROUP, Bolling Field, D. C., March 16, 1943.

TO: Commanding General, Army Air Forces, Washington, D. C.

1. The basic communication was apparently written on hearsay
evidence.

2. It is difficult to understand why the Inspector made no
attempt to get in touch with this Headquarters or the undersigned
during his inspection of Bolling Field if he believed that the in-
formation contained in the basic communication was correct.

3. The Assistant Squadron Engineering Officer referred to in
par. 1, basic, has recently undergone a psychopathic examination,
and will either be reclassified or discharged from the service.

2 Incls:

- Incl. 1 - Bulletin #26
- Incl. 2 - Bulletin #42

P. T. Cullen
P. T. CULLEN,
Colonel, Air Corps,
Commanding.

ORIGINAL
(130)

6071 MAR 24 43

AA# #10

GENERAL ACCOUNTING OFFICE

WASHINGTON

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ARMY OFFICE

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(Red)

MAR 13 1943

Chief, Army Air Forces
War Department,
Washington, D. C.

Dear Sir:

In connection with cost-plus-a-fixed-fee supply contract numbered W535ac-21052, (DA-W535ac-378), dated October 27, 1941, with Jacobs Aircraft Engine Company, Pottstown, Pennsylvania, reference is made to agreement dated March 28, 1942, entered into between Jacobs Aircraft Engine Company and the Magnetic Analysis Corporation, Long Island City, New York, covering the lease of one (1) Magnetic Analysis 3 1/4" Dual Method Equipment, for use in Plant No. 2 in lower Pottsgrove Township, Pennsylvania indicated as being executed thereunder.

It is noted from Article 8, of the referred to lease that its cancellation by lessee is restricted to "two (2) years after the date on which rental begins to accrue hereunder, or at the end of any one (1) year period after said two (2) year period has elapsed, by giving the Lessor sixty (60) days prior notice in writing of its election so to do."

In view of the specific terms of Article 9, of the prime contract providing for its termination in the event certain conditions would arise that would warrant in the interests of the Government the discontinuance of the work being performed under the contract, a statement is requested showing the benefit to be derived by the Government in the relinquishment of what appears to be a substantial right by the omission of such a saving provision.

It is further requested that there be furnished the valuation of the leased equipment, together with the evidence of the approval by the contracting officer to this lease.

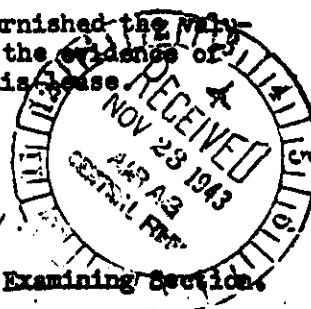
Very truly yours,

T. D. Dinitz

For Chief, War Contract Examining Section.

72 MAR 14 1943

MAIL SECTION A.A.F.



AMC 5

ORIGINAL

ORIGINAL
(Red)

MAR 17 1943

Chief, Army Air Forces,
War Department,
Washington, D. C.

Dear Sir:

Reference is made to cost-plus-a-fixed-fee contract numbered W535ao-21052 (DAM-535ao-378) entered into October 27, 1941 with Jacobs Aircraft Engine Company, Pottstown, Pennsylvania, for the manufacture of aircraft engines.

It is noted that Supplemental No. 3, dated April 15, 1942, provides that the modifications and adjustments accomplished by this formal supplemental agreement, shall be deemed to have effected and to effect such a decrease in the amount and character of the work to be done under the contract as shall entitle the Government to an equitable reduction in the established cost and a reduction in the contractor's fixed fee.

Evidence showing adjustment of the contractor's fixed fee as referred to, is not of record in this office and it is requested that such evidence be forwarded as soon as practicable.

This office has been informally advised that change orders Nos. 5 and 6 respectively have been issued and in view of there being no record of the receipt of the above cited change orders, it is requested that same be forwarded to this office.

Very truly yours,

T. D. Dimitry

For Chief, War Contract Examining Section.

ghr

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9	1009
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ORIGINAL
(Red)

NEW AT THE NATIONAL ARCHIVES

INTER-OFFICE MEMORANDUM
ARMY AIR FORCES
HEADQUARTERS OF THE MATERIEL COMMAND
WASHINGTON

AFAND-41
GHD:rsf

ORIGINAL
(Red)

March 19, 1943

TO: Chief, Procurement Division
Wright Field
Dayton, Ohio

SUBJECT: Cost-Plus-a-Fixed-Fee
Contract W 535 ac-21052

1. There is forwarded herewith letter from the General Accounting Office dated March 5, 1943, concerning subject contract with Jacobs Aircraft Engine Company, Pottstown, Pennsylvania.

2. It is desired that requests contained therein be complied with and reply forwarded to this office together with return of the inclosed letter.

F. E. Workum
F. WORKUM
Lt. Colonel, Air Corps
Chief, Contract Section

Major A.C.

Encl:
Ltr.GAO d/3-5-43

1st Ind.

3952 Ref: 80-6/PCH/glg

War Department, Army Air Forces, Materiel Center, Wright Field, Dayton, Ohio, March 22, 1943. To: Commanding General, Materiel Command, Headquarters, Army Air Forces, Washington, D. C. Attention: Chief, Contract Section.

1. Reference is made to basic communication enclosing copy of letter from General Accounting Office dated March 5, 1943.

2. Insurance Policies numbered WH 99718, WH 99719, WH 99720, and WH 99721 dated February 2, 1942 and WH 99885 dated February 10, 1942 the Insurance Company of North America have not been submitted to this office by the Contractor for approval.

3. Contractor has been requested to submit copies of the Policies in question to this office and upon approval thereof, copies of the Policies

ORIGINAL
(Red)

Wright Field, Dayton, Ohio
March 23, 1943

1095

2. Transmitted herewith are the following duplicate Insurance Policies and Insurance Certificates covering the Defense Plant Corporation in connection with the operations of Jacobs Aircraft Engines Company under Contract # 535 aa-21052:

- | | |
|----|---|
| 2- | Indemnity Insurance Company of North America Policy No. 771 - 120. |
| b. | The Hartford Steam Boiler Inspection and Insurance Company Policy No. 2135. |
| 2- | The Hartford Steam Boiler Inspection and Insurance Company Policy No. 84-655. |
| 1- | Certificate of Insurance for Policy No. 1516124. |
| 1- | Certificate of Insurance for Policy No. 1516135. |
| 1- | Certificate of Insurance for Policy No. 1516705. |
| 1- | Certificate of Insurance for Policy No. 1516125. |
| 1- | Certificate of Insurance for Policy No. 1517986. |
| 1- | Certificate of Insurance for Policy No. 1517499. |
| 1- | Certificate of Insurance for Policy No. 1517939. |
| 1- | Certificate of Insurance for Policy No. 1517994. |
| 1- | Certificate of Insurance for Policy No. 1517998. |

MAY 15 1943

in United States.

JOSEPH Q. ROBERTS, JR., CHIEF OF BUREAU, SEC.
DEPT. OF AGRICULTURE, WASHINGTON, D. C.

A. E. HOWSE,
Colonel, Air Corps,
Executive for Procurement

DECLASSIFIED
NND 730032
BY P. MCORE. NARS, Date 4-12-93

REPORT TO THE NATIONAL ARCHIVES

ARMY AIR FORCES
MATERIEL CENTER

Ref: 80-6/FBH/glg

ORIGINAL
(Red)

Wright Field, Dayton, Ohio
March 23, 1943

Subject: Insurance - Jacobs Aircraft Engine Company *X095-*
Contract W 535 ac-21052

To: Commanding General, Materiel Command
Headquarters, Army Air Forces
Washington, D. C.

4015

1. Transmitted herewith are the following duplicate Insurance Policies and Insurance Certificates covering the Defense Plant Corporation in connection with the operations of Jacobs Aircraft Engine Company under Contract W 535 ac-21052:

- a. Indemnity Insurance Company of North America Policy No. VPL - 104.
- b. The Hartford Steam Boiler Inspection and Insurance Company Policy No. 3135.
- c. The Hartford Steam Boiler Inspection and Insurance Company Policy No. 86-605.
- d. Certificate of Insurance for Policy No. NH 161434.
- e. Certificate of Insurance for Policy No. NH 161433.
- f. Certificate of Insurance for Policy No. NH 168706.
- g. Certificate of Insurance for Policy No. NH 161435.
- h. Certificate of Insurance for Policy No. NH 173936.
- i. Certificate of Insurance for Policy No. NH 174093.
- j. Certificate of Insurance for Policy No. NH 173933.
- k. Certificate of Insurance for Policy No. NH 173934.
- l. Certificate of Insurance for Policy No. NH 173932.

2. The above listed Insurance Policies and Insurance Certificates are enclosed herewith for transmittal to the General Accounting Office, War Department Division.

Incls. 12
As listed above.

Joseph G. Hodges
JOSEPH G. HODGES
Captain, Air Corps
Contracting Officer

J. O. Montgomery, 2nd Lt. A.C.
J. O. MONTGOMERY, 2nd Lt. A.C.
A. E. HOWSE,
Colonel, Air Corps,
Executive for Procurement

EX-100
MAY 1943
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INTER-OFFICE MEMORANDUM

ARMY AIR FORCES
MATERIEL CENTER
Office of The Commanding General

Ref: 80-6/PBH/glg

Wright Field, Dayton, Ohio

Date March 23, 1943

Commanding General, Materiel Command
Headquarters, Army Air Forces
Washington, D. C.

4016

CT: Insurance - Jacobs Aircraft Engine Company
Contract W 535 ac-21052

Transmitted herewith is letter to Under Secretary of War
regarding Insurance Policies and Insurance Certificates covering the
Plant Corporation in connection with operations of subject
factor.

Joseph E. Jones, Capt A.C.
A. E. JONES

Brig. General, U.S.A.
Chief, Procurement Division

- 1

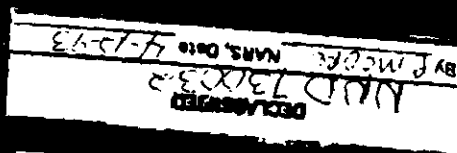
Ltr. to Under Secretary of War
with incls. as listed therein.

J. O. Montgomery 2nd Lt. A.C.
A. E. HOWSE

Colonel, Air Corps
Executive for Procurement

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(Red)

Signature



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ORIGINAL
(Red)

3rd Ind.

Department, Headquarters Army Air Forces, Washington, D. C., March 25, 1943.

1. AAF Technical Supervisor, Mitchell Field, Hempstead, New York.

Forwarded for your comments and return to this office.

By command of General ARNOLD:

JOHN F. WHITELEY,
Colonel, Air Corps,
The Air Inspector.

Incls. n/c

G. R. MORBYNOLDS,
Colonel, Air Corps.



DISPATCH

MAR 25 1943

C.H. - HQ. AAF

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3rd Ind.

Department, Headquarters Army Air Forces, Washington, D. C., March 26, 1943.

AAF Technical Supervisor, Mitchel Field, Hempstead, New York.

Forwarded for your comments and return to this office.

By command of General ARNOLD:

JOHN F. WHITELEY,
Colonel, Air Corps,
The Air Inspector.

APR 27 43 PM

E. R. McREYNOLDS,
Colonel, Air Corps.

Incls. n/c



4th Ind.

VICE OF FIELD INSPECTOR, TECHNICAL SECTION, MITCHEL FIELD, HEMPSTEAD, NEW YORK, April 24, 1943.

Chief Technical Inspection Division, Headquarters, Army Air Forces, Washington, D.C.

1. Further investigation of the subject matter was conducted on April 22, 1943 by W.O. (JG) Merton L. Chipperfield, Field Inspector, in his office.
2. From all the facts, maintenance forms, flight forms, etc., and other details revealed during this investigation, it is the opinion of the undersigned that the Assistant Squadron Engineering Officer, Lt. William E. is exaggerated the situation, which altho is a fact in some degree, is not justified entirely by the actual conditions. The Field Inspector from his office, who originally made this inspection, was assuming that Lt. Ellis, acting in the capacity as Asst. Engineering Officer, was fully competent to render information to him with the intention that it be used merely as a safety precaution. Accordingly the Field Inspector merely allowed through.
3. The new type Master Rod referred to as required by Airworthiness Maintenance Bulletin #42, had not been changed in this engine and was believed necessary by the fact that the Manufacturers' recommended engine overhaul time is 300:00 hours and the actual time indicated by the log for this engine is 350:20 hours. Despite the fact that the Army requires 500:00 hour maximum overhaul period for this type engine, it was still thought essential that the Master Rod change be made inasmuch as the engine log records were incomplete for the life of this engine.

TO MAIL & RECORD ROOM
4-28-43
ADMINISTRATIVE
MAINTENANCE
ENGINEERING
LOGS
COM. AERO 33.

COL 139 APR 27 43

ORIGINAL
(Red)

4th Ind. cont'd.

previous ownerships for this engine is established including the fact that it was installed in three different type airplanes, would indicate the possibility that the total engine time was in excess of the 350:20 hours actually logged and possibly in excess of 500:00 hours which is the Army Air Force maximum time.

4. Reference to the fact the airplane was flown while on a Red Cross Symbol is established by the one flight of January 22, 1943, by Captain T. F. McRae, subsequent to the test flight of January 21, 1943 made by Lt. Willis, Asst. Engineering Officer, who at that time, placed the airplane on a Red Cross condition. (See copy of form 1A attached). The form 41B was apparently tampered with inasmuch as erasure markings indicated that the Red Cross Symbol had been erased and the remarks in the remarks column also had been erased.

5. This entire matter is somewhat complicated within the organization, due to the fact that there is unsatisfactory Technical Administration and Maintenance existing in this organization as revealed by the report of inspection conducted in January, 1943. All these conditions have been emphasized during the investigation of the subject matter with the Commanding Officer who has given assurance that appropriate steps will be taken and that no such situation will ever reoccur.



CLIFTON C. HUTCHISON,
Colonel, Air Corps,
Field Inspector, Hq. AAF

NAME

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Ref: 80-6/PBH/gle

(Written 3-27-43) FILED

MAR 27 1943

ORIGINAL
(Red)

XO 2 MAY #19

Insurance - Jacobs Aircraft Engine Company
Contract W 535 ac-21052

Under Secretary of War
Attention: Colonel Park Holland
Room 5D 725

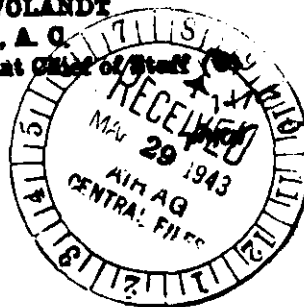
1. Transmitted herewith are the following duplicate Insurance Policies and Insurance Certificates covering the Defense Plant Corporation in connection with the operations of Jacobs Aircraft Engine Company Contract W 535 ac-21052:

2. Indemnity Insurance Company of North America Policy No. 171 - 104.
3. The Hartford Steam Boiler Inspection and Insurance Company Policy No. 1135.
4. The Hartford Steam Boiler Inspection and Insurance Company Policy No. 86-605.
5. Certificate of Insurance for Policy No. NH 16143.
6. Certificate of Insurance for Policy No. NH 16143.
7. Certificate of Insurance for Policy No. NH 165704.
8. Certificate of Insurance for Policy No. NH 16143.
9. Certificate of Insurance for Policy No. NH 179934.
10. Certificate of Insurance for Policy No. NH 179934.
11. Certificate of Insurance for Policy No. NH 179934.
12. Certificate of Insurance for Policy No. NH 179934.
13. Certificate of Insurance for Policy No. NH 179934.

2. The foregoing Insurance Policies and Insurance Certificates are to be in order and have been approved by this office.

FOR THE COMMANDING GENERAL

W. F. VOLANDT
Colonel, A. C.
Assistant Chief of Staff (G-1)



TO MR. & MRS. BUN
DATE
EXECUTIVE
ADMINISTRATIVE
B & G
CIVILIAN PERM.
FISCAL
INSPECTION
INTELLIGENCE
LEGAL
MEDICAL
MILITARY PERM.
PLANS
TRAIN. & OPER.
W. COAL. AERO. BR.

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3-27/42
and above.

DECLASSIFIED
DATE 7-30-82
BY JMD/DA 5-10-83

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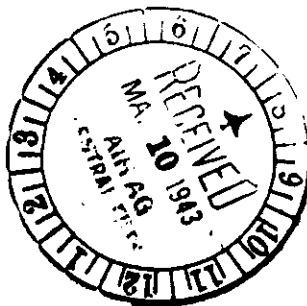
Procurement Liaison Branch, Purchases Div., March 27, 1943.
The Insurance Branch, Fiscal Div., Army Service Forces.

1: Forwarded as a matter pertaining to your office.

/s/ PARK HOLLAND
PARK HOLLAND
Colonel, Air Corps
Chief of Branch

cc: H/c

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ORIGINAL
(Red)

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730032
BY J. M. G. B. 4-12-73
MAR. 2010

APPROVED BY THE NATIONAL ARCHIVES

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LAF #7

ORIGINAL
PROOF

ARMY AND NAVY MUNITIONS BOARD
Emergency Rating Unit

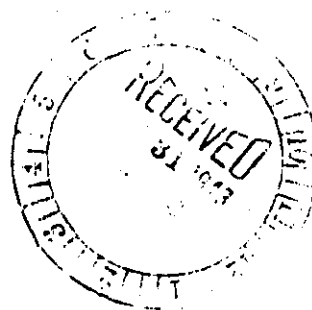
SUBJECT - AAA Application - Jacobs Aircraft Engine Co., Pottstown, Pa. on Detroit Tap & Tool Co., Detroit, Mich.

1. Subject application has the approval of the Army Air Forces and is forwarded for your attention and consideration.

For the Commanding General:

R. M. Clements
Captain, Air Corps
Chief, Priorities Section
Resources Division.

1. 101 (in trip.)
 2. 101 P.D.-3-27-43
 3. 101 AGU-16 (in trip.)



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ORIGINAL
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AAF #1

April 5, 1943

Chief, War Contract Examining Section
Audit Division
General Accounting Office
Moses Building
Washington, D. C.

Dear Sir:

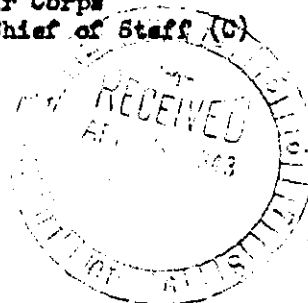
Reference is made to your letter (A-SCW-WCE) dated March 17, 1943, concerning cost-plus-a-fixed-fee contract # 535 ac-21052 with Jacobs Aircraft Engine Company, Pottstown, Pennsylvania.

Records of this office indicate that Change Orders Nos. 5 and 6 were forwarded to your office under dates of November 21, 1942 and January 13, 1943, respectively.

Request contained in paragraph 2 of your letter in connection with Supplemental Agreement No. 3 to the above contract will be complied with as soon as practicable.

Yours very truly,

W. F. VOLANDE
Colonel, Air Corps
Assistant Chief of Staff (C)



SYMBOL	1	2	3	4	5	6
NAME OF OFFICER	W. F. VOLANDE					
OFFICE	GAO					
LOCATION	WASHINGTON, D. C.					

RECORDED AT THE NATIONAL ARCHIVES

ORIGINAL
(Red)

GENERAL ACCOUNTING OFFICE
WASHINGTON

MAR 5 1943

VISION
NO QUOTE
NOA

Chief, Army Air Forces,
War Department,
Washington, D. C.

Dear Sir:

In connection with cost-plus-a-fixed-fee contract, numbered DA-555-ac-21052 and DA-555-ac-376, dated October 27, 1941, with Jacobs Aircraft Engine Company, Potstown, Pennsylvania, for the furnishing and delivery of aircraft engines and spare parts, reference is made to the following invoices attached to D.O. voucher 8831 in the June 1942 account of F. D. Coyne, disbursing officer:

<u>Date of Invoice</u>	<u>Vendor</u>	<u>Amount</u>
February 9, 1942	Parker & Company	50.25
" 12, 1942	"	50.47

It is requested that copies of insurance policies numbered MH-99718, MH-99719, MH-99720, and MH-99721, dated February 2, 1942, and MH-99805, dated February 10, 1942, Insurance Company of North America, covered by the above-listed invoices, be forwarded to this office.

There should also be submitted accounting evidence that the premiums reimbursed have been fully earned, and that a proper accounting has been made for all dividends and refunds, if any, to which the Government is entitled.

In order that the audit may be expedited, it is requested that the policies and necessary information be furnished at the earliest practicable date.

Very truly yours,

L. J. Mammone

For Chief, War Contract Audit Section.

Copy to:

Col. F. D. Coyne, Jr., F. D., U. S. Army,
Wright Field,
Dayton, Ohio.

4 MAR 26 '43
rem

AL SECTION A.A.F.

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AAF, #1

April 5, 1943

Chief, War Contract Audit Section
General Accounting Office
Moses Building
Washington, D. C.

Dear Sir:

Reference is made to your letter (A-GPG-MCA) dated March 5, 1943, concerning cost-plus-a-fixed-fee contract W 535 ac-21052 and DA W 535 ac-378 with Jacobs Aircraft Engine Company, Pottstown, Pennsylvania.

In accordance with request contained therein, you are advised that Insurance Policies NH 99718, NH 99719, NH 99720, and NH 99721 have not been submitted to the Materiel Center, Wright Field, Dayton, Ohio, by the Contractor for approval. The Contractor has been requested to submit copies of the policies in question to that office and upon approval thereof will be promptly forwarded to your office.

Yours very truly,

W. F. VOLANDT
Colonel, Air Corps
Assistant Chief of Staff (C)

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ARMY AIR FORCES

MATERIEL CENTER:

Command

O/Y RAN

Wright Field, Dayton, Ohio,

April 13, 1943.

ORIGINAL
(Red)

Subject: Contract W 535 ac-36151.

1000

Asst. Chief of Air Staff,
(Materiel, Maintenance and Distribution),
Attention: Chief, Procurement Branch,
Materiel Division,
Washington, D. C.

1. Herewith letter to the Under Secretary of War prepared for signature in your office, forwarding one number and two cover sheets Contract W 535 ac-36151 with Jacobs Aircraft Engine Company, Pottsville, Pennsylvania, covering the purchase of Maintenance Parts for AAF R-755-9 Engines, at a total cost of \$6,370,577.44, for approval under the provisions of the First War Powers Act, 1941, and Executive Order No. 9001, December 27, 1941. An extra copy of the contract marked "Advance Copy" is forwarded for your files.

A. E. JONES,

Brig. Gen., U. S. A.,

Chief, Procurement Division.

Encls.

1. Ltr. to the Under Secretary of War

/w 4 encls. as listed therein.

2. "Advance Copy" of Contract W 535
ac-36151.

A. E. JONES

Brig. Gen., U. S. A.

Chief, Procurement Division

12-550M

12-550M

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12-550M

Jacobs Aircraft Engine Co. 1st Ind.

Air Force Procurement Liaison Branch, Purchases Div., April 17, 1943.
To: The Commanding General, AAF, Office, Assistant Chief of Air
Staff, M. M. & D.

1. Attention is invited to the attached one (1) number and two (2) cover sheets of Contract W 535 ac-36151 with Jacobs Aircraft Engine Company, Pottstown, Pennsylvania, approved by Special Representative of the Under Secretary of War this date.

By direction of the Under Secretary of War:

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Park Holland,
Colonel, Air Corps,
Chief of Branch.

1992

OFFICE OF THE
ATTORNEY GENERAL
STATE OF NEW YORK

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 de-1000 .M

(Written 4-15-42)

AAF #1

April 16-42

Contract W 535 ac-36151

AAF #18

Under Secretary of War
Attn: Colonel Park Holland
Section 5D 575

X095

65-450412

1. Forwarded herewith, recommending approval under the provisions of the First War Powers Act, 1941, and Executive Order No. 6808, December 27, 1941, are one number and two cover sheets of Contract W 535 ac-36151 with Jacobs Aircraft Engine Company, Pottstown, Pennsylvania, covering the purchase of Maintenance Parts for Army Model R-755-9 Engines, at a total cost of \$6,370,577.44.

2. The following information is submitted in connection with award of this contract:

A. Material:

Item 1: Maintenance Parts for Army Air Forces Model R-755-9 Engines as set forth in Exhibit "A" attached to the contract.

B. Unit Price:

As indicated in Exhibit "A" attached to the contract.

C. Total Contract Value:

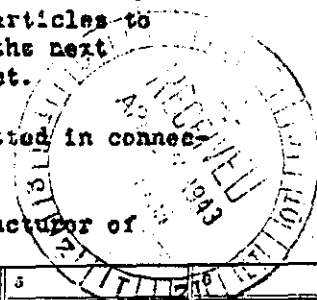
\$6,370,577.44

D. Delivery:

Deliveries shall commence in the calendar month next succeeding the date of the approval of the contract and shall be completed within the succeeding twenty-three (23) calendar months. The contractor shall use its best efforts to cause the greater portion of said articles to be delivered within the ten (10) calendar months next succeeding the date of approval of the contract.

3. The following additional information is submitted in connection with this proposed procurement:

A. The contractor is the designer and sole manufacturer of Model R-755-9 Engines and Maintenance Parts therefor.



1	AFAMC-4A	2	3	4	5

APR 10 1943

to the Under Secretary of War,
No. 2.

b. These articles are listed for procurement under Project 411, Classification C2-4, are required as maintenance parts for Air Forces Model R-755-9 Engines and are chargeable to Project 1 - 1943 Program.

c. The prices are contractor's standard parts list prices and have been compared with prior prices paid for similar items under Contract W 535 ac-29255 and are found to be fair and reasonable. Due to the large number of items involved, previous prices are not quoted. Deliveries are not conditioned upon additional facilities being provided.

d. Competition is impracticable since the articles called for are proprietary with the contractor who is the sole manufacturer thereof, and the particular articles called for and required cannot be obtained elsewhere than from said contractor and said articles are the only articles that will meet the needs of the Government in this particular instance.

e. Article 40 of the contract incorporates the provisions relating to renegotiation.

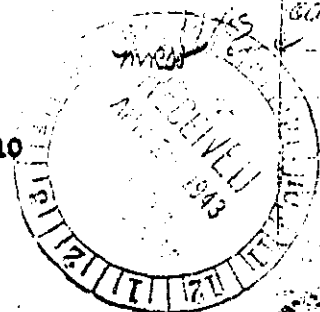
f. Contractor's quotation submitted in response to Invitation R-43-1510 dated December 17, 1943, and its letters dated January 28, 1943 and March 25, 1943, containing its quotations, are forwarded herewith for ready reference.

Incls.

1. Contract W 535 ac-36151 (1 number and 2 cover sheets)
2. Contr's quo sub. in resp. to Inv. R-43-1510
3. Contr's ltr dated 1-28-43
4. Contr's ltr dated 3-25-43

DISPATCHED
APR 10 1943

C.M.V. - HC-2-43
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WAR DEPARTMENT
Headquarters Army Air Forces
OFFICE OF THE CHIEF OF AIR CORPS

WASHINGTON

AAF #1
April 17, 1943

SUBJECT: ACTION LETTER - L-5 Jacobs Motor Serial 1102 installed in C-72N aircraft (Civilian designated C-17)

TO: Field Inspector, Hqrs. AAF, Technical Section, Mitchel Field, Hempstead, New York.

With reference to Action Letter, above subject, which originated in your office, dated January 22, 1943, and which was returned by 3rd in-
terment dated March 25, 1943, no reply has been received to date. It is requested that your comments be furnished to this office as soon as practicable.

By command of General ARNOLD:

APR 21 1943

FOLLETT BRADLEY,
Major General, U. S. Army,
The Air Inspector.



George R. Geer

GEORGE R. GEER,
Colonel, Air Corps,
Actg. Chief, Technical Inspection
Division.

RECEIVED
AFM 1st Ind.

CCH:rg

Office of the Field Inspector, Technical Section, Mitchel Field, Hempstead, N.Y., April 21, 1943.

TO: Actg. Chief, Technical Inspection Division, Headquarters, AAF, Washington, D.C.

1. The subject action letter has been held awaiting proper time for further investigation. Originally it was agreed that this matter would be looked into at the first opportunity during a routine technical inspection of a base in the near proximity of Bolling Field. However, this information will be obtained and forwarded without further delay.

NSE

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TECHNICAL SECTION AAF

Clifton C. Hutchison
CLIFTON C. HUTCHISON
Colonel, Air Corps
Field Inspector, Hqrs. AAF

TAI
E

ORIGINAL
(Red)

AAF #19

April 17, 1943

452.1 ACTION LETTER - L-5 Jacobs Motor Serial 1102 installed in
C-72N aircraft (Civilian designated C-17)

Field Inspector, Hqrs. AAF, Technical Section, Mitchell Field,
Hempstead, New York.

With reference to Action Letter, above subject, which originated in
our office, dated January 22, 1943, and which was returned by 3rd in-
terment dated March 25, 1943, no reply has been received to date. It
is requested that your comments be furnished to this office as soon as
practicable.

By command of General ARNOLD:

POLLETT BRADLEY,
Major General, U. S. Army,
The Air Inspector.

GEORGE R. GERR,
Colonel, Air Corps,
Actg. Chief, Technical Inspection
Division.

DISPATCHED

APR 19 1943

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WAR DEPARTMENT
ARMY AIR FORCES

MATERIEL CENTER

OFFICE OF THE ARMY AIR FORCES REPRESENTATIVE
Jacobs Aircraft Engine Company
Pottstown, Pennsylvania

Subject: Contract W535 AC 21052/DA 373 (CHFF)

SSB:ris
April 20, 1943

Chief, Contract Section
Army Air Forces, Materiel Command
Washington, D. C.

1. Letter dated March 6, 1943 from the General Accounting Office,
Washington, D. C. is returned herewith, also copy of reply thereto, in
accordance with instructions from Chief, Procurement Division, Wright
Field, Dayton, Ohio.

S. S. Boulger
S. S. BOULGER
Resident Auditor

GAO ltr. d/3-6-43
cc: reply thereto.

Area Auditor

AWD:DEL: UNCLASSIFIED

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ORIGINAL
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Subject: Contract W 535 ac-36151

2nd Ind.

AFDFA-5A
HAG:dao

Quarters, Army Air Forces, Washington, D. C., April 21, 1943.

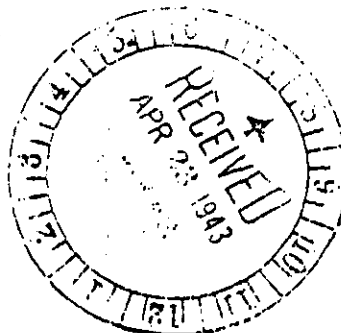
Commanding General, Materiel Command, Wright Field, Dayton, Ohio.
Attention: Procurement Division.

1. Returned herewith, as approved, is one (1) number and two (2) sheets each to subject contract with Jacobs Aircraft Engine Company, Hatfield, Pennsylvania.

By command of General ARNOLD:

HAS
F. WENZEL, LT. COLONEL, AIR CORPS
Chief, Contract Section, Procurement Branch
Office, Ass't. Chief of Air Staff, H.Q.A.F.

Ltr. fr. WD, HQ, AAF to USW 4-16-43
and fr. AFPLB, Purch. Div. to C.G. AAF MM&D 4-17-43.



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INDEX SHEET

FILE : 452.13 ~~WAC~~ Jacobs
: 095 Jacobs Aircraft Engine Company

AAF #4

AAF #10

Date
April 22, 1943

SYNOPSIS

From: AFDMR-5H

To:

Chief, War Contract Audit Section, General Accounting Office,
Moses Building, Washington, D. C.

Subject: Reference to letter dated March 10, 1943,
(4-CFG,WCA) in connection with cost-plus-a-fixed-
fee contract W 535 ac-21052 and DA W 535 ac-378
with Jacobs Aircraft Engine Company, Pottstown, Pa.

Original filed under No. 161 C-P-A-F-F

CL

PFE

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ORIGINAL
(Red)

INDEX SHEET

AAF #19

032.2 Hon. Daniel K. Hoch

333.1 Jacobs Aircraft Engine Company, Contractors

FILE : 452.13 Jacobs Engines

020 Secretary of War

Date

April 23, 1945

SYNOPSIS

From: THE Secretary of War

To: Hon. Daniel K. Hoch, House of Representatives

Subject: Regarding the mismanagement of the Jacobs
Aircraft Engine Co., at Pottstown, Pa.

Original filed under No.

004.03 Jacobs Aircraft Engine Co

JP

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Ref: 80-6/JYL/mvr

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XXXXXXXXXXXXXXXXXXXX

Wright Field, Dayton, Ohio

April 27, 1943

FP #16

Insurance - Contract W 535 ao-21052 -
Jacobs Aircraft Engine Company.

X 095

Assistant Chief of Air Staff
Material Maintenance and Distribution
Headquarters, Army Air Forces
Washington, D. C.

Attention: Chief, Procurement Branch.

1. Enclosed herewith are the following:

- a. Copy of "Agreement For Hospital and Medical Care Under War Projects Insurance Rating Plan", an Agreement between Jacobs Aircraft Engine Company and The Indemnity Insurance Company of North America, dated March 20, 1943.
- b. Copy of The Indemnity Insurance Company of North America letter dated April 3, 1943, addressed to Mr. J. Brooks B. Parker, Parker and Company, the Contractor's Insurance Advisor.
- c. Copy of Jacobs Aircraft Engine Company letter dated April 8, 1943, subject: "Hospital and Medical Care Agreement - Contract W 535 ao-21052".
- d. Copy of letter dated April 24, 1943, subject: "Insurance - Contract W 535 ao-21052", from the Contracting Officer to Jacobs Aircraft Engine Company.

2. In connection with the use of the War Department Insurance Rating Plan in Pennsylvania, this office has not been advised that an agreement such as was entered into between the Jacobs Aircraft Engine Company and The Indemnity Insurance Company of North America is required by the Pennsylvania Compensation Rating and Inspection Bureau or by the War Department. Where the War Department Insurance Rating Plan is used to cover manufacturing operations such as are contemplated by the subject contract, it is the opinion of this office that the allocation of 2 1/2% of the salaries of the medical personnel to the War Department Insurance Rating Plan policies is not in order. It is the opinion of this office that little if any of the cost of providing medical facilities for medical personnel should be allocated to the War Department Insurance Rating Plan, and in connection with other projects of a similar

ORIGINAL
(Red)

(17) 019 mvr

 BY P. M. G. L. 4-1-43
 MAILED 73003
 DECLASSIFIED

Subject: Insurance - Contract W 535 ac-21052 -
 Jacobs Aircraft Engine Company
 Assistant Chief of Air Staff, Materiel
 Maintenance and Distribution, Headquarters,
 Army Air Forces, Washington, D. C.
 Attention: Chief, Procurement Branch
 Date: April 27, 1943

Where, this office has been successful in obtaining the agreement of
 Insurance Carriers to the elimination of any cost of medical salaries
 or hospital costs from the War Department Insurance Rating Plan poli-
 cies.

3. It is recommended that this matter be submitted to the In-
 surance Branch, Fiscal Division, Headquarters, Army Service Forces, and
 that office requested to advise whether there has been any change in the
 requirements regarding the application of the War Department Insurance
 Rating Plan in Pennsylvania.

D. C. SWATLAND
 Colonel, Air Corps
 Acting Chief, Procurement Division

Incls. as listed in Paragraph (1)

A. E. HOWSE,
 Colonel, Air Corps,
 Executive for Procurement

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 (Red)

DECLASSIFIED
 AUTHORITY: 48 CFR 1.101-2.2
 DATE: 11-1-93

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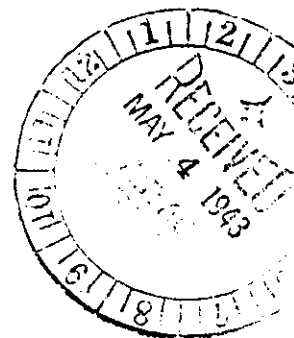
(Written April 30, 1943)

FILED
AAF #21

X334

Subject: Letter from the British Air Commission,
dated April 27, 1943, Regarding Defects
in One Jacobs Type L6MB Engine, Serial
No. 14513/25699 Off Contract DA-2223

To: United Nations Branch
Air Service Command
Third National Bldg.
Dayton, Ohio



(17) 452.13 Jacobs

1. Submitted herewith is copy of letter, dated April 27, 1943, from the British Air Commission on the above subject to which is attached a copy of letter from the R.C.A.F., dated April 13, 1943.

2. It is requested that you advise this office after you contact the Budget Office and Contract Section your comments upon which we can base our reply.

By Command of General ARNOLD:

B. E. MEYERS
Brig. General, U. S. Army
International Officer for A.A.F.

By:

H. R. PAIGE
Lt. Col., Air Corps
Chief, International Section
Materiel Division, ACAS, M.M.&D.

Incl.:

Ltr fr BAC dtd 4/27/43

W/4000011 MV2H D'C

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Chief, War Contract Audit Section
General Accounting Office
Noses Building
Washington, D. C.

Reference is made to your letter (A-CFG-WCA) dated March 6, 1943, in connection with contract W 535 ac-21052 and DA W 535 ac-378 with Jacobs Aircraft Engine Company, Pottstown, Pennsylvania. X095

In accordance with request contained therein, there is attached copy of letter dated April 20, 1943, addressed to your office, from S. S. Boulger, Resident Auditor at Jacobs Aircraft Engine Company.

W. F. VOLANER
Colonel, Air Corps
Chief, Procurement Branch
Office, Assistant Chief of Air Staff
Materiel, Maintenance and Distribution

Cy.1tr.4-20-43



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<i>for</i>					
<i>my</i>					
<i>move</i>					

U. S. GOVERNMENT PRINTING OFFICE

ORIGINAL
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COPY

Subject: Insurance - Contract V 885 no-61022 -
Boeing Aircraft Engine Company.

1st Ind.

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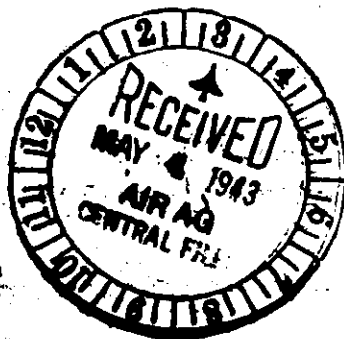
Washington, Army Air Forces, Washington, D. C., May 3, 1943.

1st Commanding General, Army Service Forces. Attention: Chief Insurance
Branch, Fiscal Division, Room 42 403.

1. Forwarded, inviting attention to request contained in paragraph
of basic letter.

For the Commanding General, Army Air Forces:

V. F. VOLANDT
Colonel, Air Corps
Chief, Procurement Branch
Office, Asst. Chief of Air Staff
Material, Maintenance & Distribution



MAY 4 1943
5

PFE

ORIGINAL
(Red)

MAY DEPT. MAY 22 1943
ARMY AIR FORCES
WASHINGTON

Mr. LAF, Mat. Gen. to Asst. C. of Air Staff, MEMO 4-27-43.

OFFICE
EXECUTIVE

AFMA-5A									

16-50843-1 U. S. GOVERNMENT PRINTING OFFICE: 1942

DECLASSIFIED
DATE 7-1-93
BY J. M. G. F.

REPRODUCED AT THE NATIONAL ARCHIVES

NAME

PAGE NUMBERS TO BE COPIED

2nd Ind.

PWS/mec

ORIGINAL
(Red)

May 4, 1943.

Commanding General, A. A. F., Attention: Procurement Branch,
Office, Assistant Chief of Air Staff Materiel, Maintenance and
Distribution (Through: Chief, A. F. Procurement Liaison Branch,
Purchases Division).

Receipt of duplicate insurance policies and Insurance Certificates
Defense Plant Corporation is acknowledged.

This data will be reviewed and further reply will be made in due

For the Director Fiscal Division:

/s/ REESE F. HILL
REESE F. HILL,
Lt. Colonel, Q.M.C.,
Chief, Insurance Branch,
Fiscal Division.

161

3d Ind.

Procurement Liaison Branch, Purchases Div., May 5, 1943.
The Commanding General, AAF, Office, Assistant Chief of Air
Staff, M. M. & D.

Attention is invited to 2d indorsement.

/s/ Park Holland
PARK HOLLAND,
Colonel, Air Corps
Chief of Branch.

ORIGINAL
(Red)

DECLASSIFIED
NND 730032
BY P.M.C. DATE 4-12-93

ORIGINAL
(Red)

REPRODUCED AT THE NATIONAL ARCHIVES
C O P Y

DEPARTMENT OF COMMERCE
CIVIL AERONAUTICS ADMINISTRATION
WASHINGTON

May 5, 1943

Chief of Field Services
Maintenance Division
Aircraft Engine Section
Patterson Field
Fairfield, Ohio

Gentlemen:

We are advised by our Eighth Regional Office in Anchorage, Alaska that they are in urgent need of two new or overhauled engines for their Cessna aircraft NC-12, Serial No. 1306. The engines required should be identical to Jacobs engine, Serial Nos. 7042 and 7043, and must have a long propeller shaft measuring 8 1/8 inches.

They have available for exchange two overhauled Jacobs engines, Nos. 803 and 804, having 7 inch propeller shafts useable by any of the first group of Cessnas still having their original propellers.

Any assistance which you can give us in effecting such an exchange on the above or any other basis will be greatly appreciated, and a transfer of funds will be effected to reimburse your office for any expenses incurred thereby. The aircraft involved is in constant use, chiefly in making flight checks of air navigation facilities constructed and maintained by this administration for the use of the armed forces in the Territory of Alaska.

Very truly yours,

H. W. Howard
Chief, Airways Engineering Division

RDM:ewe

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ORIGINAL
(Red)

Incl #1
RESTRICTED

ARMY AIR FORCES

MATERIEL ~~ENGINEER~~
Command

86:CHL:bs

Wright Field, Dayton, Ohio

May 5, 1943

ORIGINAL
(Red)

Letter Contract Special Form
 Supplement to Contract W535 ac-21052, DA W535 ac-378
 Jacobs Aircraft Engine Company

Office of the Assistant Chief of Air Staff
 Materiel, Maintenance, and Distribution
 Washington, D. C.

Attention: Materiel Division

7665

1. Forwarded herewith is letter to the Under Secretary of War
 for signature in your office transmitting three (3) numbers
 subject Letter Contract Special Form, dated April 21, 1943, ac-
 by Jacobs Aircraft Engine Company, Pottstown, Pennsylvania on
 1943 covering procurement of 663 items of spare parts for Model
 A-1 engines in accordance with a spare parts list sent to the
 for amounting to a total estimated price of \$15,374,547.05.

2. Procurement under the Letter Contract Special Form repre-
 sents additional engine maintenance parts for the 3,575 Air Corps
 and 950 Defense Aid engines which were the initial engine pro-
 cuments from Jacobs Aircraft Engine Company, and for which spare
 parts are being procured on Exhibit A on Contract W 535 ac-21052 and
 ac-378.

3. The Letter Contract permits the Contractor to make com-
 ments for an amount not to exceed \$10,762,182.94 or 70% of the
 estimated cost.

4. Negotiations have not been completed.

5. Three (3) additional copies of the subject Letter Contract
 Form are forwarded for your use.

For the Commanding General:

PFF

ORIGINAL
(Red)

A. E. JONES
 Brig. General, U.S.A.
 Chief, Procurement Division

6. to USOW w/enclosures
 7. Cont.Spec.Form (3)

J. O. Montgomery, 2nd Lt., ac.
 A. E. HOWSE
 Colonel, Air Corps;
 Executive for Procurement

8-5-426

4-1-43
 16-20345-1
 16-20345-1
 16-20345-1

ARMY AIR FORCES
MATERIEL CENTER

Ref: HC-6/BB/gls

Insurance - Johns Manville Asbestos Company
Contract U 225 as-21022

Wright Field, Dayton, Ohio

42114

Date: March 24, 1964

Commander General, Federal Reserve Bank

U. S. Army Air Forces, Washington, D. C., May 6, 1948.

Acting General, Materiel Command, Wright Field, Dayton, Ohio.

Chief, Procurement Division.

Attention is invited to 2nd indorsement.

By command of General ARNOLD:

Transferred from the Island of Guadalupe, Secretary of War
ing Insurance, San Francisco, under **W. F. VOLANT**, covering the
Plant Organization is conducted by **Colonel, Air Corps**, subject
or. **Chief, Procurement Branch.**

Colonel, Air Corps ^{subject}
Chief, Procurement Branch
Office, Assistant Chief of Air Staff
Material, Maintenance & Distribution

Brig. General, U.S.A. //
Chief, Procurement Division

to Under Secretary of Air
incls. as listed therein.

Attn: fr. HQ, AAF NM&D to USW 3-27-43

Ad. fr. AFPLB, Purch Div. to Insur. Br. Fiscal Div

2. fr. HQ, ASF to C.G. AAF 5-4-43

fr. AFPLB, Purch. Div. to C.G. AAF, Asst. Chief

3-8-43

Signature

★ 16-58845-1 U. S. GOVERNMENT PRINTING OFFICE: 1964

REPRODUCED BY THE NATIONAL ARCHIVES

Ref: 80-6/JUL/mw

XXXXXXXXX COMMAND

Wright Field, Dayton, Ohio
May 10, 1943.

Loss Reports - War Department Comprehensive Insurance Rating Plan

Assistant Chief of Air Staff
Material, Maintenance and Distribution
Headquarters, Army Air Forces
Washington, D. C.

Attention: Procurement Branch

AIR #19

1. In accordance with the requirements of Paragraph 427 of Procurement Regulation No. 4, and the War Department Comprehensive Insurance Rating Plan, loss reports covering the periods indicated for the following policies written under the War Department Insurance Rating Plan covering operations of the Contractors listed below are enclosed herewith for transmittal to the Insurance Branch, Fiscal Division, Headquarters, Army Service Forces:

- (a) Consolidated Aircraft Corporation - Contractors Nos. W 535 ac-18723, W 535 ac-18439, W 535 ac-22359, W 535 ac-26992, W 535 ac-20359, W 535 ac-38762 - The Aetna Casualty and Surety Company - Policies Nos. 96 0 300, 96 30 1 and 96 10 1 - Period from 11/14/41 to 11/14/42.
- (b) The Glenn L. Martin-Mohrman Company - Contractors Nos. W 535 ac-19542, W 535 ac-25248 and W 535 ac-27240 - Globe Indemnity Company - Policies Nos. WD-752872, GLA-403871 and GL-400301 - Period from 1/1/42 to 9/30/42. (3 reports.)
- (c) General Aircraft Corporation - Contract W 535 ac-26156 - The Travelers Insurance Company - Policies Nos. WD-675390, SLA 890397 and SLA-888074 - Period from 3/11/42 to 11/30/42.
- (d) General Aircraft Corporation - Contract W 535 ac-26901 - E. S. Aviation Insurwriters, Inc. - Policies Nos. 96 0 300, 96 30 1 and 96 10 2 - Period from 6/1/42 to 3/1/43 (3 reports)
- (e) Emerson Electric Mfg. Co. - Contractors Nos. MA W 535 ac-261, 11-91367, W 535 ac-21024, W 535 ac-26990, W 535 ac-26991, W 535 ac-26445, W 535 ac-18401, W 535 ac-22617, W 535 ac-27354, W 535 ac-27836, W 535 ac-29740, W 535 ac-38703, MA W 535 ac-19, W 535 ac-51692 and W 535 ac-53166 - Travelers Insurance Company - Policies Nos. WD 790023, WD 790024 and WD 791560 - Period 10/4/41 to 2/10/43 (3 reports)

ORIGINAL
(Red)

RECEIVED
MWD 73003.2
BY PMORE NMS Date 4-12-93

ORIGINAL
(Red)

Subject: Loss Reports - War Department Comprehensive Insurance Rating Plan.
Assistant Chief of Air Staff, Materiel, Maintenance and Distribution,
Headquarters, Army Air Forces, Washington, D. C. Attention: Pre-
curement Branch.
Date: May 10, 1943

- (f) Jacobs Aircraft Engine Company - Contracts Nos. W 535
ac-21052 and DA W 535 ac-378 - Indemnity Insurance Com-
pany of North America - Policies Nos. NWOC 10000, NMA
10000 and NDL 10000 - Period from 1/27/42 to 12/31/42.
- (g) American Airlines, Inc. - Contracts Nos. W 535 ac-25583,
W 535 ac-27366, W 535 ac-27780, W 535 ac-29830, W 535
ac-35703, W 535 ac-30835 and W 535 ac-30679 - The Fidel-
ity and Casualty Company of New York - Policies Nos.
C 6786223 and XAP 1579 - Period from 3/27/42 to 3/27/43
(3 reports).
- (h) Transcontinental and Western Air, Inc. - Contracts Nos.
DA W 535 ac-1062, W 535 ac-28123, W 535 ac-30149, W 535
ac-33930 and W 535 ac-35716 - Fidelity and Casualty
Company of New York - Policies Nos. C 6766077, XAP 1571
and AL2-302 - Period from 3/11/42 to 3/11/43 (4 Reports)
- (i) Northeast Airlines, Inc. - Contract W 535 ac-35713 and
DA W 535 ac-1476 - Policies Nos. C 6783810 and XAP 1576 -
Fidelity and Casualty Company of New York - Period from
1/21/42 to 1/21/43.
- (j) Colonial Airlines, Inc. - Contracts Nos. W 535 ac-35706
and W 535 ac-29833 - Fidelity and Casualty Company of New
York - Policies Nos. C 6786222 and XAP 1578 - Period
from 7/10/42 to 1/10/43.
- (k) Braniff Airways, Inc. - Contracts Nos. W 535 ac-27599
and W 535 ac-35704 - The Fidelity and Casualty Company
of New York - Policies Nos. C 6777018 and XAP 1572 -
Period from 3/24/42 to 1/20/43 (2 reports.)
- (l) Delta Air Corporation - Contracts Nos. W 535 ac-35708
and W 535 ac-28127 - The Fidelity and Casualty Company
of New York - Policies Nos. C 6786221 and XAP-1577 -
Period from 1/16/42 to 1/16/43.
- (m) Eastern Air Lines, Inc. - Contracts Nos. W 535 ac-27362,
W 535 ac-27368, W 535 ac-29831, and W 535 ac-35709 - The
Fidelity and Casualty Company of New York - Policies Nos.
C 6781068 and XAP 1575 - Period from 1/27/42 to 1/20/43.
(2 reports.)
- (n) Lockheed Aircraft Corporation - Contract W 535 ac-26499 -
Great American Indemnity Company - Policies Nos. G-38180,
LL-3042, C-203284, XT-106620 and LAD-1792 - Period from
2/18/42 to 12/1/42.

PFE
ORIGINAL
(Red)

DECLASSIFIED
NND 730032
BY P.M.C.P. DATE 4-12-93

Loss Reports - War Department Comprehensive Insurance Rating Plan.
Assistant Chief of Air Staff, Materiel, Maintenance and Distribution,
Headquarters, Army Air Forces, Washington, D. C. Attention: Pre-
curement Branch.
May 10, 1943.

- (e) Remington Rand, Inc. - Contract W 535 ac-29749 - Travelers Insurance Company - Policies Nos. WUB-875234, WSLA-875236 and WSLQ-87235 - Period from 5/29/42 to 2/8/43 (2 Reports)
- (p) Andover Motors Corporation (Buckstell Burkhart Engineering Company) - Contract W 535 ac-26292 - New York Casualty Company - Policies Nos. WC 422927-H, MV 353229-H and CGL 353205-H - Period from 6-30-42 to 9-30-42.
- (q) Jenter Corporation, Aircraft Division - Contract W 535 ac-26597 - Bankers Indemnity Insurance Company - Policies UC 29851 J, ACP 1213 and LCL 1442 - Period from 6/1/42 to 3/1/43 (3 Reports)
- (r) North American Aviation, Inc. (Kansas) - Contracts Nos. W 535 ac-19441, W 535 ac-23376, and W 535 ac-26300 - The Fidelity and Casualty Company of New York - Policies Nos. C-6760856, IAP 1499 - Period from 7/3/41 to 2/3/43 (4 reports)
- (s) Nash-Kalvinator Corporation - Contracts Nos. W 535 ac-22255, DA W 535 ac-149, W 535 ac-25049 and W 535 ac-25051 - Maryland Casualty Company - Policies Nos. 01-271004, 28-101957 and 96-001585 - Period from 12/1/41 to 3/1/43. (4 Reports).
- (t) Northwest Airlines, Inc. - Contracts Nos. DA W 535 ac-1765, W 535 ac-29742, W 535 ac-31758, W 535 ac-34911 and W 535 ac-35714 - The Fidelity and Casualty Company of New York - Policies Nos. C 6777019 and IAP 1573 - Period from 2/20/42 to 2/20/43. (3 reports)
- (u) National Airlines, Inc. - Contracts Nos. W 535 ac-35712 and W 535 ac-28123 - The Fidelity and Casualty Company of New York - Policies Nos. C 6781063 and IAP 1574 - Period from 5/28/42 to 2/28/43. (3 reports)
- (v) Char-Gale Mfg. Company (Aircraft Division) - Contracts Nos. W 535 ac-21527, W 535 ac-21086, W 535 ac-26152 and W 535 ac-30849 - Employers Mutual Liability Insurance Company of Wisconsin - Policies Nos. 3-96091 and 3-347409 - Period from 1/1/42 to 10/1/42. (3 reports)

ORIGINAL
(Red)

2. Certain of the loss reports enclosed herein are not on the form prescribed by the Insurance Branch, Fiscal Division, Headquarters, Army Service Forces. In these cases, Contractor's Insurance Carriers have been requested to submit loss reports on proper forms, and when such reports are received this office, they will be forwarded for transmittal to Insurance Branch, Fiscal Division, Headquarters, Army Service Forces.

A. E. HOWSE,
Colonel Air Corps,
Executive for Procurement

A. E. JONES,
Brig. General, U.S.A.,
Chief, Procurement Branch.

- As listed above.

NA 14070

RECEIVED
MAY 13 1943
BY AIR MAIL
MAY 13 1943

RECEIVED AT THE NATIONAL ARCHIVE

(Written 5-10-43)

AAP #1
MAY 10 1943

Plotting Contract Special Form,
Supplement to Contract # 535 as-21012,
SA # 535 as-378
(Jacobs Aircraft Engine Company

The Under Secretary of War
Attention: Colonel Park Holland
Room 3D 725

Forwarded herewith recommending approval are three (3) numbers of latter Contract Special Form, dated April 21, 1943, accepted by Jacobs Engine Company, Pottstown, Pennsylvania on May 1, 1943 covering pro-
of 663 items spare parts for Model A-985-AH-1 engines in accordance
are parts list sent to the Contractor amounting to a total estimated
\$15,374,347.05.

Procurement under the Letter Contract Special Form represents additional maintenance parts for the 3,575 Air Corps engines and 950 Defense of which were the initial engine procurements from Jacobs Aircraft Company, and for which spare parts are being procured on Exhibit A on DA 535 ac-21052 and DA 535 ac-378.

The Letter Contract permits the Contractor to make commitments for not to exceed \$10,762,182.94 or 70% of the total estimated cost.

Negotiations have not been completed.

Approval of the Letter Contract Special Form will enable the Com-
 proceed with the production of these spare parts without delay.

Approval of the Letter Contract will be under the provisions of the
 War Relocation Act, 1941 and Executive Order No. 9001, dated December 27, 1941.

OSINT Preference Rating AA-1 has been assigned.

It is recommended that this Letter Contract Special Form be cleared

For the Commanding General, Army Air Forces:

W. F. VGLANDT
Colonel, Air Corps
Chief, Procurement Branch
Office, Assistant Chief of Air Staff
Material, Maintenance & Distribution

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16-29243-1 U. S. GOVERNMENT PRINTING OFFICE

*TO—50242—1 U. S. GOVERNMENT PRINTING OFFICE

REPRODUCED AT THE NATIONAL ARCHIVES

ORIGINAL
(Red)

W 161

1st Ind.

Force Procurement Liaison Branch, Purchases Div., May 12, 1943.
The Commanding General, AAF, Office, Assistant Chief of Air
Staff, M. M. & D.

1. Attention is invited to the attached three (3) numbers of
Order Contract Special Form Supplement to Contract W 535 ac-21052,
W 535 ac-378 with Jacobs Aircraft Engine Company, Pottstown,
Pa., approved by Special Representative of the Under Secretary of
War on this date.

By direction of the Under Secretary of War:

Park Holland,
Colonel, Air Corps,
Chief of Branch.

Encl:

Encl. #2 w/d

ORIGINAL
(Red)

DECLASSIFIED
DATE 7-1-93 BY SP-10/MS

ORIGINAL
(Red)

Letter Contract Special Form,
Supplement to Contract W535 as-21052,
DA W 535 as-378
Jacobs Aircraft Engine Company

2nd Ind.

AFDMA-5A
HAS:alb

Wash., Army Air Forces, Washington, D. C., May 14, 1943.

Commanding General, Materiel Command, Wright Field, Dayton, Ohio.
Attention: Chief, Procurement Division.

Returned herewith, approved May 12, 1943 by the Special Representative
Under Secretary of War, are three (3) numbers of the subject Letter
Special Form dated April 21, 1943.

By command of General ARNOLD:

F. W. WICKUM
Lt. Colonel, Air Corps
Chief, Contract Section, Procurement Branch
Office, Ass't. Chief of Air Staff, W.M.A.D.

Spec. Form (3)



ORIGINAL
(Red)

Mr. fr. Hq. AAF, Office, AC/AS, 1122D to OUSW, Attn: Col. Holland 5-10-43
Mr. fr. A.F. Procurement Liaison Br., Pur. Div., to CG, AAF, Office, AC/AS,
Chief, Procurement Br., 5-12-43

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16-20943-1 U. S. GOVERNMENT PRINTING OFFICE

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16-20943-1 U. S. GOVERNMENT PRINTING OFFICE

DECLASSIFIED
DATE 7-10-83 BY SP-10/10/83

REPRODUCED AT THE NATIONAL ARCHIVE

COPY

ORIGINAL
(Red)

SPSEFI 21542

2nd Ind.

HRG:gvr

Hq., Army Service Forces, May 14, 1943.

To The Commanding General, A.A.F., Attention: Procurement Branch, Office,
Assistant Chief of Air Staff Materiel, Maintenance and Distribution.
(Through: Chief, A.F. Procurement Liaison Branch, Purchases Division)

1. Mr. Gregory C. Kelly, General Manager of the Pennsylvania
Compensation Rating and Inspection Bureau advised a representative
of this office informally that executing and filing such an agreement
in the Commonwealth of Pennsylvania is not mandatory.

For the Director, Fiscal Division:

Incls n/c

/s/ Reese F. Hill
REESE F. HILL,
Lt. Colonel, Q.M.C.,
Chief, Insurance Branch,
Fiscal Division.

RECEIVED
MAY 17 1943
BY J. M. G. 1000
MAY 17 1943

REPRODUCTION AT THE NATIONAL ARCHIVES

ORIGINAL
(Red)

SPTDF - 161

3d Ind.

Air Force Procurement Liaison Branch, Purchases Div., May 15, 1943.
To: The Chief, Procurement Branch, Office, Assistant Chief of Air
Staff, M. M. & D.

1. Attention is invited to preceding indorsement.

By direction of the Under Secretary of War:

ORIGINAL
(Red)

Incls: W/c

Park Holland,
Colonel, Air Corps,
Chief of Branch.

DECLASSIFIED
NND 730032
BY P. MCQUEEN
DATE 7-12-93

MAAF #16
MAY 18, 1943

X452.1

Spare Engine for Beechcraft Airplane, NC-19473, Owned by Star Airlines, Inc., 501 Fifth Avenue, New York, New York

Army Air Forces Resident Representative
Jacobs Aircraft Engine Company
Pottstown, Pennsylvania

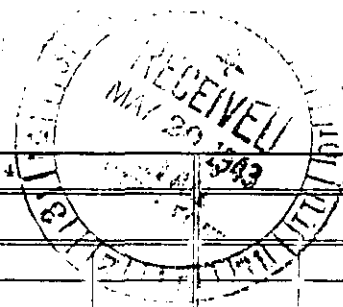
1. Purchase negotiations have been concluded by this office for acquisition of Beechcraft Airplane, NC-19473, formerly owned by Star Airlines, Inc., 501 Fifth Avenue, New York, New York.

2. The value agreed upon includes a spare Jacobs engine, Model L6MB, Serial No. 1506. In order that payment for this equipment may be expedited, it is requested that appropriate action be taken by your office to accept this engine in the name of the Army Air Forces. In this connection, contact should be made with Mr. Donald C. Frederick, Service Department, Jacobs Aircraft Engine Company, Pottstown, Pennsylvania, giving him one (1) signed copy of a memorandum receipt covering the motor, with three (3) signed copies forwarded to this Headquarters. It should be noted that the receipts are to be signed by an Air Force Officer.

3. Also, it is requested that the following information be submitted, which can be obtained from the log book that is to accompany the engine:

- Total hours since manufacture
- Total hours since acquired by present owner
- Total hours since last overhaul
- Any notes that have a bearing on the history of the engine

4. Upon its acceptance, the Jacobs Aircraft Engine Company will be responsible for packing and shipment of the engine on a prepaid commercial Bill of Lading to Army Air Forces, Headquarters, Air Transport Command, North Atlantic Wing, Presque Isle Air Base, Presque Isle, Maine. The factory has already been properly instructed in this regard.



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DIRECTOR		DIRECTOR		DIRECTOR		DIRECTOR		DIRECTOR		DIRECTOR	
MAAF		MAAF		MAAF		MAAF		MAAF		MAAF	
JWB		JWB		JWB		JWB		JWB		JWB	

AFDMA-5A
JTB:28

ORIGINAL
(Red)

Spare Engine for Beechcraft Airplane, NC-19473,
Owned by Star Airlines, Inc., 501 Fifth Avenue, N.Y., N.Y.

AAF Resident Representative
Jacobs Aircraft Engine Company
Pottstown, Pennsylvania

5. All other arrangements relative to this transaction have been com-
pleted by this Headquarters and the only action necessary on your part is
as indicated in paragraphs 2 and 3.

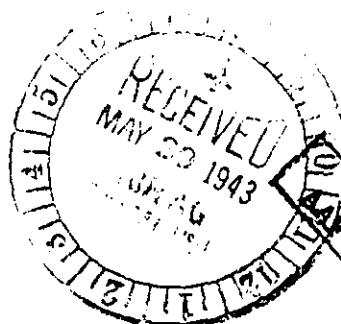
By command of General ARNOLD:

W. F. VOLANDT
Colonel, Air Corps
Chief, Procurement Branch
Material Division
Assistant Chief of Air Staff
Material, Maintenance & Distribution

District Supervisor
Eastern AAF Procurement District
90 Church Street
New York, New York

SYMBOL	1	2	3	4	5	6
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AFDMA-5A ORIGINAL
JWB:ms



May 18, 1943

Mr. Donald C. Frederick
Service Department
Jacobs Aircraft Engine Company
Pottstown, Pennsylvania

Dear Mr. Frederick:

Purchase negotiations have been concluded by this office for acquisition of Jacobs engine, Model L-5MB, Serial No. 1506, owned by Star Airlines, Inc., 501 Fifth Avenue, New York, New York.

Accordingly, it is requested that arrangements be made to have the motor properly boxed and crated for shipment on a prepaid commercial Bill of Lading to the Army Air Forces, Headquarters, Air Transport Command, North Atlantic Wing, Presque Isle Air Base, Presque Isle, Maine. The box, on the outside, should be clearly marked, "Spare Engine for Beechcraft Airplane, Serial No. 245, NC-19473", and should contain the engine log book.

A representative of the Army Air Forces at your factory has been instructed to contact you within the next few days to accept the engine before it is crated, and issue one (1) copy of a memorandum receipt therefor. This, in turn, is to be mailed by you to Mr. H. W. Robinson, Vice President, Star Airlines, Inc., 501 Fifth Avenue, New York, New York, for his files. It will only be necessary for you to forward to this office a copy of the Bill of Lading showing acceptance by the carrier as evidence that shipment has been made.

In connection with prepaying shipping charges, it is understood with Star Airlines, Inc., that your company will furnish this office with a statement of such charges and seek reimbursement from Star Airlines, Inc., as it is the intention of the Government to pay Star Airlines, Inc., an amount to cover both the engine and cost of shipment.

Your cooperation in this matter will be appreciated.

Very truly yours,

cc: Mr. H. W. Robinson, V.P.
Star Airlines, Inc.
501 Fifth Avenue
New York, N. Y.

W. F. VOLANDT
Colonel, Air Corps
Chief, Procurement Branch
Material Division

MBOL	1	AFDMA-5A	2	Assistant Chief of Air Staff	6
TOP OFFICER				Material, Maintenance and Distribution	
OFFICE					
MAN					

5

附註

Headquarters, Army Air Forces, Washington, D. C., May 16, 1943.

Attention is invited to 2nd Indorsement.

F.V.

100

1. Ind. fr. AAF Materiel Command, W.F. to AC/AS, MX&D, Hq. AAF 4-27-43
 2. Ind. fr. Hq. AAF, Office, AC/AS, MX&D to CG, ASF, Attn: Chief, Insurance Br.,
 Fiscal Div., 5-3-43
 3. Ind. fr. Hq. ASF, Fiscal Div., to CG, AAF, Office, AC/AS, MX&D thru: Chief,
 A.F. Proc. Liaison Br., Pur. Div. 5-14-43
 4. Ind. fr. A.F. Proc. Liaison Br., Pur. Div., to Chief, Proc. Br., AC/AS 5-15-43

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DECLASSIFIED
 AND 730032
 BY 6 MCGRATH
 NARS, Date 4-12-93

REPORT OF A FIELD SURVEY

NAME

TAB

Ref: 60-6/JM/mr

Wright Field, Dayton, Ohio
May 19, 1943

XXXXX CORPARD

Contract # 535 no-21052 -
Jacobs Aircraft Engine Company

Commanding General
Army Air Forces
Material Division
Aircraft, Maintenance and Distribution
Washington, D. C.

1. Enclosed herewith is one (1) copy of Endorsement #9 to Insurer's Compensation Policy No. NMO-10000, issued by the Insurer's Service Company of North America.
2. This Endorsement has been approved by this office, and is being transmitted to the Insurer's Branch, Fiscal Division, Headquarters, Army Service Forces.

For the Commanding General, AAF Materiel Command:

A. E. JONES
Brig. General, U. S. A.
Chief, Procurement Division.

1. - 1 copy of
Endorsement #9 to
Policy No. NMO-10000

ORIGINAL
(Red)

By W.D. 730332 Date 4-12-93
RECEIVED

HSF:mir
5/20/43

ORIGINAL
(Red)

MM/SSD 412.5 (Engines)

SUBJECT: R-755-9 Engines

1st Ind.

AFDBS-4-AA

War Department, Headquarters, Army Air Forces, Washington, D. C.

MAY 22 1943 TO: The Commanding General, Air Service Command,
Patterson Field, Fairfield, Ohio.

1. This Headquarters concurs in the recommendation that the transfer of 2 each R-755-9 engines be made to the Civil Aeronautics Administration. It is requested that action be taken to effect such transfer.

2. The Civil Aeronautics Administration should be billed only for the cost involved of overhaul to put the Jacobs engines in serviceable condition.

By Command of General ARNOLD:

H. B. BENEDICT
Lt. Colonel, Air Corps
Chief, Distribution Section
Office of the Asst. C/AS, M M & D

1 Incl. n/c

ORIGINAL
(Red)

RESTRICTED

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DATE	6/1/43					
FILE	9213					

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(Red)

52.8

RESTRICTED

ASCOMELON
#16

5-22-43

Maint. Division
Aircraft Engine Section
Engine Movement and Records Br.
Unit ASCOMELON

R-755-9 Engines

Commanding General
Army Air Forces
Washington, D. C.

1. Attached is copy of correspondence from the Civil Aeronautics Administration, Washington, D. C. relative to the exchange basis of two (2) Jacobs engines, manufacturer's numbers 803 and 804 for two (2) R-755-9 engines.

2. Since the Army Air Forces have no specific need for the above commercial engines, it is recommended that transfer of two (2) R-755-9 engines be made to the above organization, as the release of this type engine can be made without interfering with airplane engine placements.

3. In the event your office desires to release two (2) engines to the aforementioned organization, same can be accomplished, upon receipt of authorization from your office. Information is also requested, in the event authority is granted for transfer, whether same will be made with or without transfer of funds.

For the Commanding General:

JOSEPH T. MORRIS
Colonel, Air Corps
Asst. Chief, Maintenance Division

Incl.
Incl 1 - Cy. Ltr. fm CAA
Washington, D. C. dtd 5-5-43

ORIGINAL
(Red)

RESTRICTED

2w

NAME _____

Contract # 535 ac-21892 -
Jacobs Aircraft Engine Company

1st Ind.

AFMA-5A
HACdb

Quarters, Army Air Forces, Washington, D. Co, May 26, 1943.

Commanding General, Army Service Forces, Atlantic; Chief, Insurance
Branch, Fiscal Division.

Forwarded.

For the Commanding General, Army Air Forces:

W. F. BOLANDT
Colonel, Air Corps
Chief, Procurement Branch
Office, Assistant Chief of Air Staff
Material, Maintenance & Distribution



ORIGINAL

1st Ind. fr. Air Materiel Command, Wright Field to AC/AS, W&ED 5-19-43 (Red)

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16-50045-1 U. S. GOVERNMENT PRINTING OFFICE

MAILED 730032
BY MAIL ROOM
MAY 26 1943

RECEIVED AT THE NATIONAL ARCHIVES

ORIGINAL
(Red)

AAF #1

May 31, 1943

AFDMA-3H

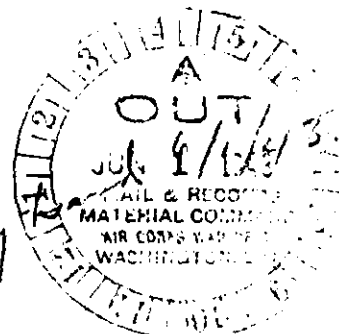
MEMORANDUM FOR - Army and Navy Munitions Board
Emergency Rating Unit

SUBJECT - AAA Application - Jacobs Aircraft
Engine Company, Pottstown, Pa. P. O.
// B-14536 on Barber-Coleman Co., Philadelphia,
Pa.

1. Subject application has the approval of
the Army Air Forces and is forwarded for your attention and
consideration.

R. M. Clements
Capt., Air Corps
Chief, Priorities Branch
Resources Division

Inclos:
SR-1(In quad.)
Memo. fr/Prod. Res. Sect.-
Steele High - Dayton, O.-5-27-43



ORIGINAL
(Red)

AFDMA-3H	3	4	5	6
CCC:BNH				

June 2, 1943

Two Jacobs Aircraft Engines for Disposition

Commanding General, Materiel Command
Wright Field, Dayton, Ohio

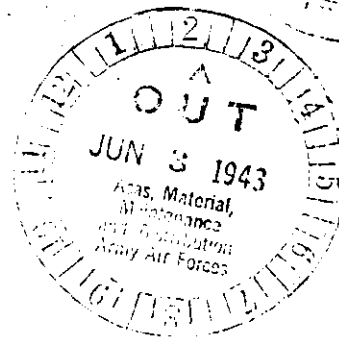
From: Technical Executive

1. Forwarded herewith, for appropriate action, is a letter from Bureau of Aeronautics, Navy Department, above subject, dated May 26, advising that the Navy has two Jacobs Engines which cannot be used on Navy airplanes.

By Command of General ARNOLD:

W. F. VOLANDT
Colonel, Air Corps
Chief, Procurement Branch
Office, Assistant Chief of Air Staff
Materiel, Maintenance and Distribution

W.F.V.
26-43



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(Red)

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ARMY AIR FORCES
MATERIEL ~~HEADQUARTERS~~ Command

ORIGINAL
(Red)

JWS:BJ:86
Wright Field, Dayton, Ohio
June 3, 1943.

Subject: Supplemental Agreement No. 1
to Contract W 535 ac-32745
w/Jacobs Aircraft Engine Company.

To: Assistant Chief of Air Staff, MA & D
Headquarters, Army Air Forces,
Washington, D. C.
Atten: Procurement Branch, Materiel Division.

9368

1. Forwarded herewith is letter to the Under Secretary of War, prepared for signature in your office, transmitting one number and two cover pages of Supplemental Agreement No. 1 to contract W 535 ac-32745 with Jacobs Aircraft Engine Company, Pottstown, Pennsylvania, covering the proposed procurement of 5000 additional engines Model R-755-9, spare parts and data; and reduction in prices of articles originally called for under contract for a total additional price of \$18,124,925.93. An extra copy of subject supplemental agreement marked "Advance Copy" is forwarded herewith for the files of your office.

2. This is the contract contemplated by Letter Contract Special Form dated December 21, 1942, and supersedes letter contract as provided in tenth Recital of subject supplemental agreement.

For the Commanding General:

A. E. Jones
A. E. JONES,
Brig. General, U.S.A.,
Chief, Procurement Division.

Enclosures-
ltr to Under Sec'y
w/enclosures
Adv. Cy. Supp. Agr. #1

J. O. Montgomery
J. O. MONTGOMERY,
Colonel, Air Corps,
Director for Procurement

ORIGINAL
(Red)

AFDMA-5A
JWB:vmh

ORIGINAL
(Red)

9592

Written June 7, 1943

✓
X 452.1
Spare Engine for Beechcraft Airplane, NC-19473,
Acquired from Star Airlines, Inc., 501 Fifth Avenue
New York, New York.
X 0.95

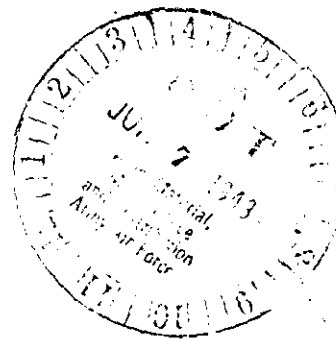
Army Air Forces Resident Representative
Jacobs Aircraft Engine Company
Pottstown, Pennsylvania

1. Reference is made to memorandum of May 16, 1943, outlining certain action to be taken in connection with above subject.
2. Inasmuch as it is desired to complete this transaction as soon as possible, it is requested that early action be taken and this office advised accordingly.

By command of General ARNOLD:

W. P. VOLLMER
Colonel, Air Corps
Chief, Procurement Branch
Office, Assistant Chief of Air Staff
Material, Maintenance & Distribution

CC - District Supervisor
Eastern AAF Procurement District
90 Church St.
New York, N. Y.



ORIGINAL
(Red)

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AFDMA-5A						
ADP TWICER						
637437 ICE EN						

Ind. to Commanding General, Materiel Command
Subject: Cost-Plus-A-Fixed-Fee Contract W 535 ac-21052
22, 1943

Will be forwarded to the General Accounting Office for their records.

als. N/c

Joseph E. Jones, Capt. A.C.
A. E. JONES
Brig. General, U.S.A.
Chief, Procurement Division

J. O. Howse, 2nd Lt.
A. E. HOWSE,
Colonel, Air Corps
Executive for Procurement



9592

APD 10-5A
JWB:VW

Written June 7, 1943

14534
Spare Engine for Beechcraft Airplane, NC-19473,
Acquired from Star Airlines, Inc., 301 34th Avenue
New York, New York.

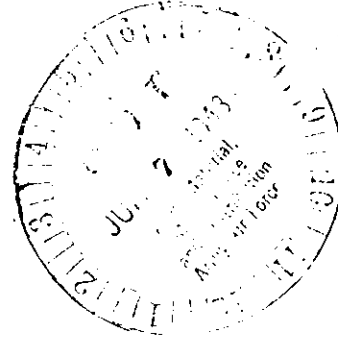
Y 545
Army Air Forces Resident Representative
Jacobs Aircraft Engine Company
Pottstown, Pennsylvania

1. Reference is made to memorandum of May 16, 1943, outlining certain action to be taken in connection with above subject.
2. Inasmuch as it is desired to complete this transaction as soon as possible, it is requested that early action be taken and this office advised accordingly.

By command of General ARNOLD:

M. P. [Signature]
Colonel, Air Corps
Chief, Procurement Branch
Office, Assistant Chief of Staff
Material, Headquarters, Distribution

CC - District Supervisor
Eastern AAF Procurement District
90 Church St.
New York, N. Y.



XBOL	1	AFDMA-5A	2	3	4	5	6
OF							
WICER							
ESTIMATE							
IN							

[Signature]

Written June 7, 1943

11440

Supplemental Agreement No. 1
to Contract W 535 ac-32745
w/Jacobs Aircraft Engine Company X09.5

JUN 7 1943

The Under Secretary of War
Attention: Colonel Park Holland
Room 5D-725

1. Forwarded herewith recommending approval under provisions of the War Powers Act, 1942, and Executive Order No. 9001, December 27, 1941, are two cover pages and one number of Supplemental Agreement No. 1 to Contract W 535 ac-32745 with Jacobs Aircraft Engine Company, Pottstown, Pennsylvania, covering the proposed procurement of 5000 additional engines Model B-755-9, spare parts and data; and reduction in prices of articles originally called for under contract for a total additional price of \$124,925.93.

2. The following information is submitted in connection with the clearance of this supplemental agreement:

a. Article 15 of Supplies Contract amended as follows:

Unit price of \$3,409.00-	Total \$9,204,300.00	is reduced to
" " " \$2,825.32-	Total 7,628,364.00	
Total Reduction		\$1,575,936.00

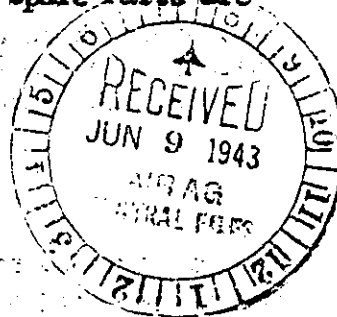
Amount of Spares increased to 36.2% = 2,761,507.73	
from 25% = 2,301,075.00	
Total Increase	460,432.73
Total Reduction on Supplies Contract	\$1,115,503.27

Note: The reason for increase in spare parts on the Supplies Contract is to meet requirements of Case 1850. Spare Parts are charged to Fiscal Year 1943 Program "I".

b. Material: Supp. Agr. No. 1
Item 4 - 5000 AAF Model B-755-9 Engines
" 5 - Spare Parts for Item 4 (36.2%)
" 6 - Data

c. Unit Price:
Item 4 - \$2,825.32
" 5 - \$5,113,829.20 (Total)
" 6 - No additional charge

d. Total Value Supp. Agr. No. 1:
\$19,240,429.20 - less reduction on Supplies Contract =
\$18,124,925.93 - Total additional price for Supp. Agr. No. 1.



1961 452.13 Jacobs

Supp. Agr. #1 to Cont. ac-32745
w/Jacobs Aircraft Engine Co.
The Under Secretary of War

Deliveries: Article 16 of Supplies Contract amended as follows:

Number of Engines	During Month Of
150	June 1943
150 additional	July 1943
415 additional	August 1943
600 additional	September 1943
600 additional	October 1943
675 additional	November 1943
675 additional	December 1943
675 additional	January 1944
675 additional	February 1944
675 additional	March 1944
675 additional	April 1944
675 additional	May 1944
675 additional	June 1944
385 remaining	July 1944

3. The following additional information is submitted in connection with this proposed procurement:

a. Jacobs Aircraft Engine Company is the designer and manufacturer of the engines proposed for procurement.

b. The engines proposed for procurement are being purchased against 30% Contingency Funds, as no definite program has been assigned. The engines proposed for procurement are to be used as follow:

3846 R-755-9 Engines- for installation in AT-17 Airplanes- Proj. 110
1154 " " spares for AT-17 Airplanes - Proj. 121
36.2% Spare Parts for above engines

c. Seventh Recital amends the Supplies Contract by adding thereto

(1) Article 49 covering Periodic Adjustment of Price, the first period extending from date of approval of this supplemental agreement to September 30, 1943, and second and each succeeding period extending for three calendar months from end of preceding period; and

(2) Article 50, covering Plant Protection.

d. Eighth Recital amends Article 29 of the Supplies Contract to provide for a new Tax Article to be used and made applicable to the original procurement as well as the additional procurement, since none of the engines in the original procurement has been delivered, and the price of the engines is the same as the additional engines with respect to which the Contractor executed Tax Statement in the new form.

WPA-52
L: vnh

Supp. Agr. #1 to Cont. ac-32745
w/Jacobs Aircraft Engine Co.
The Under Secretary of War

The effect of the change in the new tax article is that the Contractor has waived the right to purchase subsidiary articles for the original 2700 engines free of federal taxes, which might be in effect on the date of subject supplemental agreement.

e. The deliveries specified in the contract are not contingent upon additional facilities being provided by the Government.

f. The unit price of \$2825.32 quoted for the engines on subject supplemental agreement is \$583.68 less than the price included in the original contract. This Supplemental Agreement also provides for a reduction of \$583.68 per engine for a quantity of 2700 engines being procured on the Supplies Contract. A greater reduction in the unit price could not be made at this time due to steadily rising costs beyond the control of the contractor, viz: labor costs due to unionization and increase in labor hours due to turnover as a result of anticipated replacement of 50% male labor by female, and the inefficiency occasioned thereby; delays and lapses in material deliveries; deteriorating of machine tools required to maintain production more rapid than amortization of facilities allowed; and increase in cost of raw materials. The price quoted is considered fair and reasonable.

4. The Contractor's letters dated February 2, March 1 and 15, 1943, giving prices and conditions under which subject supplemental agreement is contemplated, are forwarded herewith for ready reference.

5. This is the contract contemplated by Letter Contract Special Form dated December 21, 1942, and supersedes letter contract as provided in 4th Recital of subject supplemental agreement.

For the Commanding General, Army Air Forces:

W. F. VOLLMER
Colonel, Air Corps
Chief, Procurement Branch
Office, Assistant Chief of Air Staff
Material, Maintenance and Distribution

Closures 1
Sup. Agr. #1) 2
over pages ")

ac-32745

Jacobs ltrs 2/2/43.
3/1/43.
3/15/43.

Mr. Tolson	
Mr. E. A. Tamm	
Mr. Clegg	
Mr. Glavin	
Mr. Ladd	
Mr. Nichols	
Mr. Rosen	
Mr. Tracy	
Mr. Carson	
Mr. Egan	
Mr. Gurnea	
Mr. Harbo	
Mr. Hendon	
Mr. Jones	
Mr. Mumford	
Mr. Quinn	
Mr. Nease	
Mr. Gandy	
Mr. Clegg	
Mr. Glavin	
Mr. Ladd	
Mr. Nichols	
Mr. Rosen	
Mr. Tracy	
Mr. Carson	
Mr. Egan	
Mr. Gurnea	
Mr. Harbo	
Mr. Hendon	
Mr. Jones	
Mr. Mumford	
Mr. Quinn	
Mr. Nease	
Mr. Gandy	

ORIGINAL
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ORIGINAL
(1943)

PPDF - 162

1st Ind.

Air Force Procurement Liaison Branch, Purchases Div., June 8, 1943
To: The Commanding General, AAP, Office, Assistant Chief of Air
Staff, M. M. & D.

1. Attention is invited to the attached one (1) number and two
(2) cover sheets of Supplemental Agreement No. 1 to Contract W 535 ac-
32745 with Jacobs Aircraft Engine Company, Pottstown, Pennsylvania,
approved by Special Representative of the Under Secretary of War this
date.

By direction of the Under Secretary of War:

Incls: N/c

~~SECRET~~
PARK HOLLAND,
Colonel, Air Corps,
Chief of Branch.

ORIGINAL

17947

Basic ltr. fr. CG AAF to USW 6-7-43
1st Ind. fr. USW to CG AAF 6-8-43

Subject: Contract W 535 ac-32745

2nd Ind.

AFDMA-5A HAS:cmo

Headquarters, Army Air Forces, Washington, D. C. 11 June 1943

To: Commanding General, Materiel Command, Wright Field, Dayton, Ohio
Attention: Chief, Procurement Division

1. Returned herewith, as approved, are one number and two cover
sheets of Supplement No. 1 to Contract W 535 ac-32745 with Jacobs
Aircraft Engine Company.

By command of General ARNOLD:

F. WORKUM, Lt. Colonel, Air Corps
Chief, Contract Section, Procurement Branch
Office, Assistant Chief of Air Staff, H.Q. AAF

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	cmo										

JUN 24 1943
 Maintenance and Distribution
 Army Air Forces

21-42-400M

ASCSO-B-10

ARMY AIR FORCES
HEADQUARTERS
AIR SERVICE COMMAND

PATTERSON FIELD, FAIRFIELD, OHIO

June 12, 1943

United Nations Branch
Third National Building
Dayton, Ohio

Subject: Defective Jacobs Type L-6MB Engine, Serial
Number 14513/25699, Contract DA 2223.

To: Chief, International Section
Material Division
ACAS, MM & D
Hq., Army Air Forces
Washington, D. C.

Attention: Colonel H. Ray Paige

1. Reference is made to memorandum from Chief, International Section, to United Nations Branch, subject, "Letter from the British Air Commission dated April 27, 1943 regarding defects in one Jacobs Type L-6MB Engine, Serial Number 14513/25699 off Contract DA 2223."

2. United Nations Branch has been advised that Jacobs will assume the cost of repairing subject engine, providing the bill for such repair is in line with what would normally be expected.

3. In view of the foregoing, it is suggested that the bill for repair be forwarded this office so that approval may be obtained from Jacobs and necessary action taken to credit the Royal Canadian Air Force rectifying the defect in the engine.

For the Commanding General:

for *Swanson, Capt. A. C.*
P. I. DOTY
Lt. Colonel, Air Corps
Asst. Chief, Overseas Supply Section
Supply Division

ORIGINAL
(Red)

X045 JACOBS AIRCRAFT ENGINE COMPANY
POTTSTOWN, PENNSYLVANIA

AAF #19

Plant No. 1

DEPARTMENTAL CORRESPONDENCE

X045
AAF #19
Date June 15, 1943

SPARE ENGINE FOR BEECHCRAFT NC-19473 OWNED BY STAR AIRLINES. RE: COL. VOLANDT'S
LETTER 5/18/43

Lt. R. F. Cellurale

D. C. Frederick

The Log Book of the subject engine has just been received. In setting the Log Book, the first entry is 175 hours approximated. The total time 274 . 15 minutes after which a final entry of 99 hours 15 minutes was made, thus stating that the total time on the engine was 373 hours 30 minutes.

Thus, under Paragraph 3. the following is the information requested:

- a. Total hours since manufacture - 373 hours, 30 minutes.
- b. Total hours since acquired by present owner - 198 hours, 30 minutes.
- c. Total hours since last overhaul - 99 hrs. 15 minutes.
(Note: The Log Book is attached herewith for your personal examination)
- d. Any notes that have a bearing on the history of the engine -
Engine manufactured March 1938. Shipped to Waco Aircraft Co., Troy, Ohio March 31, 1938. Original owner W. E. Hupp, Lexington, Ky. 7/12/38 Engine check and throttle arm shortened. 11/25/38 - new piston rings installed, baffles repaired. 2/28/39 - Cylinder, piston and rings shipped to Louisville for repairs. 3/3/39 Engine flown to factory where engine was thoroughly cleaned, one cylinder installed, new master rod bearing, five new pistons, piston rings, rebushed rear bearing plate, two oil transfer rings, new thrust nut seal, rubber mounts, oil and fuel line hose clamps, 14 reconditioned spark plugs. 7/29/41 Engine converted to magneto-battery ignition. The following parts installed; One new crankshaft, rebushed bearing plate, magneto driven gears, starter gear, cluster gear, magneto drive gear, one rebuilt magneto, 6 knuckle pins, 7 pistons, 7 piston rings, one reconditioned generator and one 801-BA Propeller valve assembly, one 805-BA Rear Case. 9/8/41 - Engine shipped to Star Airlines, Anchorage, Alaska, 6/17/42 - Engine returned for overhaul, parts cleaned, inspected and magnafluxed. Valves refaced and ground. One new crankcase, 7 Intake pipes, flanges and nuts. Master rod bearing rebushed.

C O P Y

ORIGINAL

JACOBS AIRCRAFT ENGINE COMPANY
POTTSTOWN, PENNSYLVANIA

Page 2.

Plant No. 1

DEPARTMENTAL CORRESPONDENCE

Date June 15, 1943

REPAIR ENGINE FOR BEECHCRAFT NC-19473 OWNED BY STAR AIRLINES. RE: COL. VOLANDT'S
LETTER 5/18/43

Lt. R. F. Cellurale

D. C. Frederick

d.(Continued)

New rings, 3 pistons, 3 exhaust valves, one crankshaft bolt and
nut, 2 push rod tubes, 14 shielded spark plugs, 2 rocker arm
bearings, new set of oil transfer rings.

The signed copy of a memorandum receipt covering the motor together
with three signed copies to be forwarded to Headquarters have not been re-
ceived by the Service Department.

/s/ Don C. Frederick

D. C. Frederick

/fks

C O P Y

ORIGINAL
(Red)

1st Ind.

RFC:css

AAF Resident Representative, Jacobs Aircraft Engine Co., Pottstown, Pa.
June 16, 1943.

TO: Headquarters of the Army Air Forces, War Department, Washington, D. C.
Attention: Chief, Procurement Branch, Materiel Division, Asst. Chief
of Air Staff, Materiel Maintenance & Distribution.

1. Referring pgs 2 and 3 of basic communication, the following
information is furnished as requested. Attached is Departmental Corres-
pondence received from Mr. D. C. Frederick, head of contractor's
Service Department.

STANLEY McLAY
Major, Air Corps
AAF Resident Representative

y: District Supervisor

ATDA-5A JWB:MB

Quarters, Army Air Forces, Washington, D. C., 19 June 1943.

10-20242-1 U. S. GOVERNMENT PRINTING OFFICE

86:CHL:bs

ARMY AIR FORCES
HEADQUARTERS OF THE MATERIEL COMMAND

WRIGHT FIELD, DAYTON, OHIO
25 June 1943

Subject: Letter Contract Special Form
Contract W535 ac-21052
Jacobs Aircraft Engine Company

Commanding General, Army Air Forces
Assistant Chief of Air Staff
Materiel, Maintenance, and Distribution
Washington, D. C.

Attention: Materiel Division

1. Forwarded herewith is letter to the Under Secretary of War prepared for signature in your office, transmitting three (3) copies of subject Letter Contract Special Form dated 16 June 1943, accepted by the Jacobs Aircraft Engine Company, Pottstown, Pennsylvania on 22 June 1943, covering a procurement of 605 Aircraft Engines, Army Air Forces Model R-985-AN-1 each complete and conforming to Pratt & Whitney Specification No. AN-2035, dated August 30, 1940 as revised November 1, 1942 and including Appendix I, dated August 1, 1941, revised April 28, 1942, with spare parts in an amount not to exceed 48% of the money value of 150 said engines, less cost of two magnetos, carburetors, and 18 spark plugs per engine, and spare parts in an amount not to exceed 55.4% of the money value of 455 said engines less cost of two magnetos, carburetors, and 18 spark plugs per engine. A suitable tool kit shall be furnished with each engine.

2. The Letter Contract is drawn up for procurements to a total estimated cost of \$6,560,000.00 exclusive of a fixed fee of \$100,000.00 and permits the Contractor to make expenditures not to exceed the sum of \$6,560,000.00, or 100% of the total estimated price.

3. Negotiations for this proposed procurement have not been completed, and Contractor's quotation has not been received. These engines represent an additional procurement under Jacobs current contract W535 ac-21052.

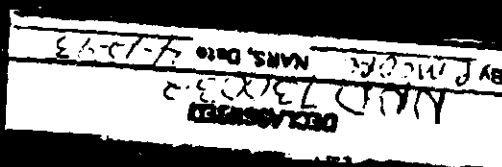
4. Three (3) additional copies of the subject Letter Contract Special Form are forwarded for your use.

For the Commanding General:

Morrison Wand Capt A. E. JONES
A. E. JONES
Brig. General, U.S.A.
Chief, Procurement Division

PFE

Encl:
Ltr. to U.S.O.W. w/enclosures
Ltr. Cont. Spec. Form (3)



REPRODUCED AT THE NATIONAL ARCHIVES

INFORMATION TAB

86:CHL:bs

ARMY AIR FORCES
HEADQUARTERS OF THE MATERIEL COMMAND

WRIGHT FIELD, DAYTON, OHIO
26 June 1943

Subject: Letter Contract Special Form
Contract W535 ac-21052
Jacobs Aircraft Engine Company

To: Commanding General, Army Air Forces
Assistant Chief of Air Staff
Materiel, Maintenance, and Distribution
Washington, D. C.

Attention: Materiel Division

1. Forwarded herewith is letter to the Under Secretary of War prepared for signature in your office, transmitting three (3) numbers of subject Letter Contract Special Form dated 16 June 1943, accepted by the Jacobs Aircraft Engine Company, Pottstown, Pennsylvania on 22 June 1943, covering a procurement of 1029 Aircraft Engines, Army Air Forces Model R-985-AN-1 in accordance with Pratt & Whitney Specification No. AN-2035, dated August 30, 1940, as revised November 1, 1942 and including Appendix I, dated August 1, 1941, revised April 28, 1942, with spare parts in an amount not to exceed 55.4% of the money value of 1029 such engines, less cost of two magnetos, carburetors, and 18 spark plugs per engine; and 260 Aircraft Engines, Army Air Forces Model R-985-AN-6 in accordance with Pratt & Whitney Specification No. AN-2035, dated August 30, 1940 revised November 1, 1942 and including Appendix 4, dated April 28, 1942, with spare parts in an amount not to exceed 55.4% of the money value of 260 such engines less cost of two magnetos, carburetors, and 18 spark plugs per engine. A suitable tool kit shall be furnished with each of the above mentioned engines.

2. The Letter Contract is drawn up for procurements to a total estimated cost of \$14,177,838.91 exclusive of a fixed fee of \$5 and permits the Contractor to make expenditures not to exceed the sum of \$14,177,838.91, or 100% of the total estimated cost.

3. Negotiations for this proposed procurement have not been completed, and Contractor's quotation has not been received. These engines represent an additional procurement under Jacobs current Contract W535 ac-21052.

4. Three (3) additional copies of subject Letter Contract Special Form are forwarded for your use.

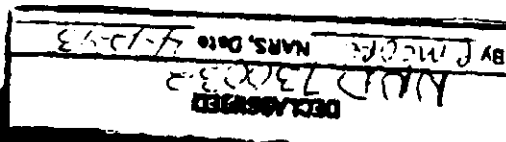
For the Commanding General:

Marion Wand, Capt. A.C.
A. E. JONES
Brig. General, U.S.A.
Chief, Procurement Division

ORIGINAL
(2-4)

7

Enc:
1. to USOW w/enclosures
1. Ltr. Cont. Spec. Form (3)



ORIGINAL
(Red)Engine
NC-19473

3rd Ind.

RFC:css

Resident Representative, Jacobs Aircraft Engine Co., Pottstown, Pa.
29, 1943

Headquarters, Army Air Forces, Washington, D.C. Attention:
of, Procurement Branch, Materiel Division, Assistant Chief of
Staff, Materiel, Maintenance & Distribution.

2. Referring 2nd Ind. and basic communication the following
information has been furnished by Mr. D. C. Frederick, Service Dept.,
at #1, concerning the delivery of the memorandum receipt and also
resume of the entire transaction.

STANLEY McLAY
Major, Air Corps
AAF Resident Representative

ORIGINAL
(Red)

REPRODUCED AT THE NATIONAL ARCHIVES

(22) 452, 13 Putt & Whiting

INSTRUCTION TAB

ORIGINAL
(Red)

141

1st Ind.

Procurement Liaison Branch, Purchases Div., 30 June 1943.
The Commanding General, AAF, Office, Assistant Chief of Air
Staff, M. M. & D.

1. Attention is invited to the attached three (3) numbers of
the Contract Special Form Contract W 535 ac-21052 with Jacobs Aircraft
Company, Pottstown, Pennsylvania, approved by Special Repre-
sentative of the Under Secretary of War this date.

By direction of the Under Secretary of War:

PARK HOLLAND,
Colonel, Air Corps,
Chief of Branch.

Ind.
Ind. #2 w/4

ORIGINAL
(Red)

DECLASSIFIED
DATE 7-13-93 BY SP-6/MS/MS

REPRODUCED AT THE NATIONAL ARCHIVES

[illegible]

1. NAME
Lt. Colonel, Air Corps
Chief, Government Section,
Office, War Rel. Auth., Wash., D.C.

ORIGINAL
(Red)

SECRETARY TELEPHONED JO PETERSON AT

Approved by the Board of Directors of the
Federal Reserve Bank of New York, New York
on the 15th day of June, 1965.

RECEIVED GENERAL, MILITARY COMMAND, WASHINGTON FIELD, DEPT. OF DEFENSE, WASH., D.C.
RECEIVED: Chief, Treatment Division.

RECEIVED, AND FORWARDED, HONOLULU, H. I., 3 JULY 1943.

16-14844

1997

Letter Contract Special Form
Supplement to Contract 2535-40-0000



Mr. J. R. Hq. AAF, Office, AC/AS, HQD to OUSM, Attn: Col. Holland 6-30-43
Mr. J. R. Hq. AAF, Office, AC/AS, HQD to OUSM, Attn: Col. Holland 6-30-43
Mr. J. R. Hq. AAF, Office, AC/AS, HQD to OUSM, Attn: Col. Holland 6-30-43

ORIGINAL 9'

4478

ATTENTION

FILED

7095

(Supplement)

Play of War
United South Holland
Box 726

FE

Dr. Peter

2. A.1

12

~~ORIGINAL~~
(Kd)

1. A/S	2. A-3/A5	3. Insp. S.	4. A-3/A5	5. A-4/A5	6. Plans/A5	7. Insp/A5	8. MIL. Eng.	9. A. Det.	10. [Blank]	11. [Blank]	12. [Blank]	13. [Blank]	14. [Blank]	15. [Blank]	16. [Blank]	17. [Blank]	18. [Blank]	19. [Blank]	20. [Blank]	21. [Blank]	22. [Blank]	23. [Blank]	24. [Blank]	25. [Blank]	26. [Blank]	27. [Blank]	28. [Blank]	29. [Blank]	30. [Blank]	31. [Blank]	32. [Blank]	33. [Blank]	34. [Blank]	35. [Blank]	36. [Blank]	37. [Blank]	38. [Blank]	39. [Blank]	40. [Blank]	41. [Blank]	42. [Blank]	43. [Blank]	44. [Blank]	45. [Blank]	46. [Blank]	47. [Blank]	48. [Blank]	49. [Blank]	50. [Blank]	51. [Blank]	52. [Blank]	53. [Blank]	54. [Blank]	55. [Blank]	56. [Blank]	57. [Blank]	58. [Blank]	59. [Blank]	60. [Blank]	61. [Blank]	62. [Blank]	63. [Blank]	64. [Blank]	65. [Blank]	66. [Blank]	67. [Blank]	68. [Blank]	69. [Blank]	70. [Blank]	71. [Blank]	72. [Blank]	73. [Blank]	74. [Blank]	75. [Blank]	76. [Blank]	77. [Blank]	78. [Blank]	79. [Blank]	80. [Blank]	81. [Blank]	82. [Blank]	83. [Blank]	84. [Blank]	85. [Blank]	86. [Blank]	87. [Blank]	88. [Blank]	89. [Blank]	90. [Blank]	91. [Blank]	92. [Blank]	93. [Blank]	94. [Blank]	95. [Blank]	96. [Blank]	97. [Blank]	98. [Blank]	99. [Blank]	100. [Blank]
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By L. McCaffrey NARS, Date 4-12-93

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JUN 30 1942

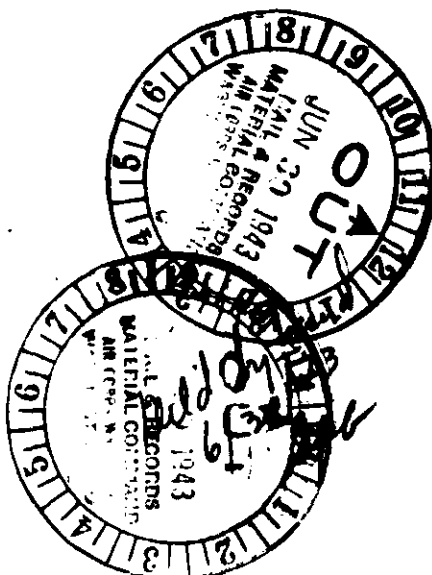
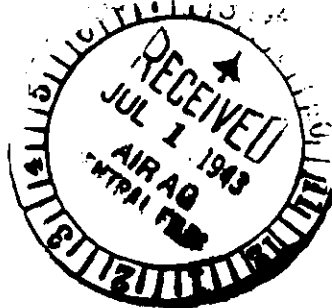
4/12/92

And that this Letter Contract Special Form

Chief General, Army Air Forces:

W. F. VOLANTE,
Colonel, Air Corps
Chief, Procurement Branch
Office, Assistant Chief of Air Staff
Material, Maintenance and Distribution

Page (3)
Page for cover (2)



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A. Def.
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Gr. Sup.
Base S.
War O&M
Ind. Tr.
Tech. S.
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Weather
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Tech. Insp.
Pub. Rel.
Dir. Pers.
Mil. Pers.
Civ. Pers.
Surg.
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Stat. Pl.
Leg. Pl.
Adm. Pl.
A. S. C.
F. C.

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DECLASSIFIED
NND 730032
BY SP-6/MLK/MLK
DATE 4-1-93

SECTION TAB

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87717 - 161

Let Ind.

Air Force Procurement Liaison Branch, Purchases Div., 30 June 1943.
To: The Commanding General, AAF, Office, Assistant Chief of Air
Staff, H. H. & L.

1. Attention is invited to the attached three (3) members of
Letter Contract Special Form Supplement to W 535 ac-21052 with Jacobs
Aircraft Engine Company, Pottstown, Pennsylvania, approved by Special
Representative of the Under Secretary of War this date.

By direction of the Under Secretary of War:

PAUL HOLLAND,
Colonel, Air Corps,
Chief of Branch.

Encl. #2 w/a

031810

DECLASSIFIED
NND 730032
BY P. MCDONNELL
NARS, DATE 4-12-93

ORIGINAL
(Red)

8000

Subject: Spare Engine
for HC-19473

4th Ind

AFDMA-5A JWS:ms

Headquarters, Army Air Forces, Washington, D. C., 3 July 1943.

To: Army Air Forces Resident Representative, Jacobs Aircraft Engine Company,
Pittstown, Pennsylvania.

1. A telegram has been sent this day to Alaska Star Airlines out-
lining circumstances as related in 3rd Indorsement. Copy is attached.
2. Request that this office be notified within a reasonable period
of action resulting therefrom.

By command of General ARNOLD:

Incls

Incl 1 - n/c

Incl 2 - (Forwarded by
3rd Ind) Corres. 6-28-43
from D. C. Frederick

Incl 3 - Cy tlg. 7-3-43
from Gen. Arnold

W. F. VOLANDT

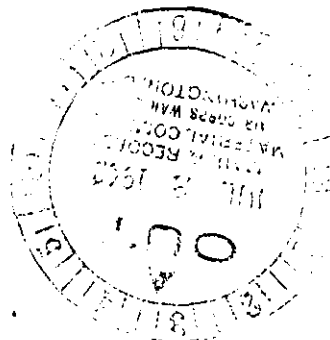
Colonel, Air Corps

Chief, Procurement Branch

Material Division

Assistant Chief of Air Staff

Material, Maintenance & Distribution



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(Red)

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21-42-100M

ARMY AIR FORCES
HEADQUARTERS
AIR SERVICE COMMAND

International
ASCSOB-10

ORIGINAL
Recd

United Nations Branch
Third National Building
Dayton, Ohio

PATTERSON FIELD, FAIRFIELD, OHIO

July 12, 1943

SUBJECT: Defective Jacobs Type L-6MB Engine, Serial No.
14513/25699, Contract DA-2223

TO: Chief, International Section,
Materiel Division,
ACAS, MM & D,
Hq., Army Air Forces,
Washington, D. C.

Attention: Colonel H. R. Paige

- REF: (a) Ltr. with incl. from International Section, subject:
"Ltr from the BAC dated April 27, 1943, Regarding
Defects in one Jacobs Type L-6MB Engine Serial No.
14513/25699 off Contract DA-2223".
(b) Ltr from United Nations Branch to International
Section dated June 12, 1943 - copy attached.

1. To date no reply has been received to reference letter (b)
concerning subject Engine bill for repair.

2. It is suggested that the bill for repairing subject Engine
be forwarded this Branch. Necessary action can then be taken to credit
the Royal Canadian Air Force for the costs incurred providing the bill
for such repair is in line with what would normally be expected.

For the Commanding General:

AGF Henderson
P. I. DOTY *STW, AC*
Lt. Colonel, Air Corps
Asst. Chief, Overseas Supply Section
Supply Division

Incl.

UNB ltr 6/12/43

cc: Chief, Prod. Eng. Sec.
SRB:mlb-70-5P

ORIGINAL
Recd

17230

AAF #1

July 13, 1943

General Aircraft Engine Company
Pittsburgh, Pennsylvania

Attention: Mr. Grant E. Wesner

Reference is made to letter from your office
dated June 23, 1943, attention: Colonel Bonner.

It is regretted that this unavoidable delay
in answering, however in answering your specific questions
in paragraph 2, this is to advise that the rubber
sparkplug cables and ferrules containing copper
are "BB" Products and will therefore get their materials
from the "BB" Product maker of the Ignition Harness.

Yours truly,

FREDERICK M. HOPKINS, JR.,
Brig. General, U. S. A.,
Controlled Materials Officer



File

AFDPR-5

1	2	3	4	5	6

NAME

Ref: 80-6/WPS/nft

ARMY AIR FORCES
HEADQUARTERS OF THE MATERIEL COMMAND

WRIGHT FIELD, DAYTON, OHIO

July 13, 1943

Subject: Insurance - Jacobs Aircraft Engine Company
Contract W 535 ac-21052

Attention: Commanding General
Army Air Forces
Washington, D. C.
Asst. C/AS, MMD,
Procurement Branch, Materiel Division

862

1. Enclosed herewith are the following:

Endorsements Nos. 12, 13 and 14 to be attached to
Machinery Policy No. 86-605, Hartford Steam Boiler
Inspection and Insurance Company, covering additional
equipment at Plant No. 2.

2. The above enclosures have been approved by this office,
are for transmittal to the General Accounting Office, War Depart-
ment Division.

For the Commanding General, AAF Materiel Command:

A. E. Jones
A. E. JONES
Brig. General, U.S.A.
Chief, Procurement Division

ls. 3
listed par. 1
this letter.

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(Red)

DECLASSIFIED
NND 730032
BY P. M. C. P. 4-12-93

ORIGINAL
(Ret)

INDEX SHEET

FILED
AAF #11

FILE : 452.13 Jacobs

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:
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Date

14 July 1943

SYNOPSIS

From: Field Office of the Air Inspector, Hq. AAF, Technical Section,
Mitchel Field, Hempstead, N. Y.

To: Chief, Engine Section, Maintenance Div. Air Service Command, Patterson
Field, Fairfield, Ohio. Thru: Chief, Technical Inspection Div.
Office of the Air Inspector, Hdqs. Army Air Forces, 4E 160 Pentagon,
Bldg., Wash. D. C.

Subject: Cylinder Failures, Type R-755-9 Engines.

3rd Ind., 26 July 1943.

Original filed under No. 452.13 Parts.

CL

JUL 14 1943
RECEIVED
16/13

ORIGINAL
1943

✓ 452.13 Part 2

CCH:rg
Field Office of The Air Inspector Hq AAF
Technical Section
Mitchel Field, Hempstead, N.Y.

14 July 1943

SUBJECT: Cylinder Failures, Type R-755-9 Engines.

: Chief, Engine Section, Maintenance Division, Air Service Command,
Patterson Field, Fairfield, Ohio. (THRU: Chief, Technical Inspec-
tion Division, Office of The Air Inspector, Headquarters, Army
Air Forces, 4E 168, Pentagon Bld., Washington, D.C.).

1. Upon returning from a recent inspection trip with UC-78 Airplane,
42-58332, Engine #AC42-187798, it was discovered that the left engine was
throwing oil. A ground check revealed oil leakage from the joints between
the heads and barrels of No.4 and No.7 cylinders. Apparently the joints
had worked loose. In fact it is known that these joints between the
cylinder heads and barrels are a press fit and otherwise not secured.

2. Further investigation revealed a number of failures of this type
which is herewith listed for your information. Also, it is requested that
further information be disseminated from your office regarding these
failures and the appropriate action to be taken.

a. UC-78 Airplane, AC No. unknown. (Hq. & Hq. Sq. 25th Anti-Sub. Wing)
R-755-9 Engine, AC No. 42-159758
Total time 88 hours. Accepted 13 Aug 1942.
Found leaking oil during ground run-up. No. 3 cylinder re-
placed with No. 3 cylinder from new engine, AC No. 42-189058.
This cylinder also leaked. Another cylinder installed with
satisfactory results. These failures covered by UR #43-257
dated 30 June 1943.

b. UC-78 Airplane, AC No. 43-7284 (Hq. & Hq. Sq. 25th Anti-Sub. Wing)
R-755-9 Engines, AC No. 42-274164 Total time, 101 hrs.
No. 42-274165 Total time, 101 hrs.
Accepted date unknown.
Found leaking oil during ground run-up. No.6 cylinder, right
engine, and No.2, 3, and 7 cylinders, left engine, were replaced
with satisfactory results. These failures covered by UR #43-173,
dated 26 May 1943.

RESTRICTED

Engine Section, Maintenance
n, ASC, Patterson Fld.,
ld, Ohio (Thru: Chief, Tech-
spec. Division, Washington)

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- c. UC-78 Airplane, AC No. 42-58126 (Base Flight Sect., Mitchel Field)
R-755-9 Engine, AC No. 42-159350
Total time, 432 hours. Accepted 22 September 1942.
Found leaking oil during ground run-up. No. 5 and No. 6 cylinders
replaced with satisfactory results. Trouble discovered 9 July
1943, UR pending. Cylinders turned over to 75th Sub-Depot,
Mitchel Field, N.Y.
- d. UC-78 Airplane, AC No. 43-7433 (Base Flight Sect., Mitchel Field)
R-755-9 Engine, AC No. 42-275197
Total time, 24 hours. Accepted 15 May 1943.
Found leaking oil during ground run-up. No. 2, 3, 4 and 7
cylinders replaced with satisfactory results. Trouble discovered
9 July 1943, UR pending. Cylinders turned over to 75th Sub-Depot,
Mitchel Field, N.Y.

CLIFTON C. HUTCHISON
Colonel, Air Corps
Field Inspector Hq AAF
Technical Section

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(Red)

16-400M

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ARMY AIR FORCES
HEADQUARTERS
AIR SERVICE COMMAND

ASCSQ4B

United Nations Branch
Third National Building
Dayton, Ohio

PATTERSON FIELD, FAIRFIELD, OHIO
16 July 1943

Letter to UNB

SUBJECT: Letter from the British Air Commission
dated April 27, 1943, Regarding Defects
in one Jacobs Type L6MB Engine, Serial
No. 14513/25699 Off Contract DA-2223

TO: Chief, International Section
Materiel Division
ACAS, MM & D
Hq., Army Air Forces
Washington, D. C.

Attention: Colonel H. R. Paige

1. Attached hereto is reference /a/ as requested in International
Section AFDMA-4B-TWX-175.

For the Commanding General:

Swanson
for P. I. DOTY *Capt. A.C.*
Lt. Colonel, Air Corps
Asst. Chief, Overseas Supply Section
Supply Division

Incl:
cy ltr to UNB fr International
Section with Incls.



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REPRODUCED AT THE NATIONAL ARCHIVES
ARMY AIR FORCES
MATERIEL CENTER
MATERIEL COMMAND

80-4:JCH:EMH
Wright Field, Dayton, Ohio
17 July 1943

ORIGINAL
FILED

Subject: Contracting Officers

To: Commanding General
Army Air Forces
Washington, 25, D. C.

1058

Attn: Asst C/AS, M&D, Procurement
Branch

1. Both fixed-price and cost-plus-a-fixed-fee Army Air Forces contracts provide that many administrative determinations thereunder shall be made by "the Contracting Officer". At the time the phrase "the Contracting Officer" was first used, it may have meant the human being who, as Contracting Officer, actually signed the contract, or his duly authorized representative. However, it has been the invariable practice (possibly induced by the necessities of the war program) to treat the words "the Contracting Officer", except where specifically limited in the contract, as referring not solely to the Contracting Officer who signed the contract but to any Contracting Officer within the Materiel Command who is authorized by proper orders to act as Contracting Officer, provided the action which he takes is taken within the territorial limits in which he is authorized to act and is within the subject matter in respect of which he is authorized to act by his orders if such subject matter is limited by those orders. Untold sums of money have been expended and innumerable commitments made in reliance upon this practice. Any other course is unthinkable, in view of the rapid changes in personnel and great volume of work.

2. Recently several contractors have requested that there be some official recognition of this practice, and it is the opinion of this office that an additional sub-paragraph should be added to paragraph 302.3 of the Procurement Regulations (just ahead of sub-paragraph 5), which will read substantially as follows:

121
"The term 'The Contracting Officer' in any contract, unless otherwise specifically limited by the provisions of the contract, shall, for all purposes of such contract and of any matters relating thereto, be deemed to refer to any officer designated as a Contracting Officer by the Commanding General of the Command in which the contract is executed, when acting within the scope of the orders appointing him as Contracting Officer, regardless of whether such Contracting Officer has been designated as successor to, or representative of, the Contracting Officer who signed the contract."

Commanding General, Army Air Forces
Contracting Officers
943

The above suggestion is made in the belief that the term "the Contracting Officer" is and always has been an appropriate phrase to designate a Contracting Officer authorized to act in the premises at any time. This would appear to be a more reasonable explanation than to require the appointment of an officer as a Contracting Officer automatically designates him as a representative of all other Contracting Officers, present or thereafter appointed, with respect to whose contracts he is called upon to act. The only alternative to a provision such as stated in paragraph 2 would be to have the Commanding General, Headquarters, issue a directive designating all Contracting Officers as representatives of all other Contracting Officers, in each case where the original Contracting Officer or the representative has been herebefore appointed or shall hereafter be appointed, and without regard to the identity of such Contracting Officers is still a Contracting Officer or, if he is still alive, and to make such directive retroactive as well as prospective.

The Chief, Procurement Division, or other appropriate authority, from time to time desire to limit by specific directive authority of Contracting Officers to act. Such limitation on authority would be effected by appropriate disciplinary action, where necessary. However, such action would not prejudice the contractor, who would be entitled to rely on the official orders appointing the Contracting Officer as a representative of the Contracting Officer's authority.

For the Commanding General:

A. E. Jones
A. E. JONES
Brig. Gen., U.S.A.
Chief, Procurement Division

AF 1A1
 OBC:ldj

23781

SUBJECT: Cylinder Failures, Type R-755-9 Engines.

1st Indorsement

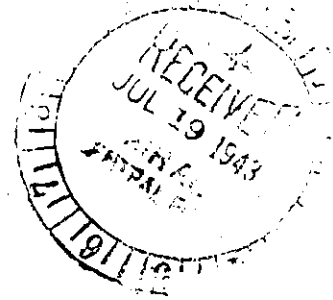
HEADQUARTERS, ARMY AIR FORCES, Washington 25, D. C., 18 July 1943.

The Commanding General, Air Service Command, Patterson Field,
 Fairfield, Ohio. ATTENTION: Chief, Engine Section, Maintenance
 Division.

1. Request report of action taken to correct defects listed in
 previous communication be forwarded through this office.

By command of General APNOLD:

C. B. CLAASSEN,
 Lt. Colonel, Air Corps,
 Acting Chief, Tech. Inspec. Div.,
 Office of The Air Inspector.



HQ. AAF
 19 JUL 1943
 T A I MAIL SECTION
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HRP:bjh
6767

31 July 1943

British Air Commission
1785 Massachusetts Avenue, N. W.
Washington, D. C.

Attention: Mr. E. A. Drury

Dear Sir:

Referring to your letter of April 27, 1943, attached to which was given letter from the Royal Canadian Air Force, Ottawa, Ontario, regarding one Jacobs engine L6ML, we are submitting herewith copy of memorandum which has been received from the Air Service Command (United Nations Branch) in which it has been ascertained that the Jacobs Company will assume the cost of repairing such an engine providing the bill for repair is reasonable, and it is suggested that the bill for the repair be forwarded to the United Nations Branch, Air Service Command, Third National Bldg., Dayton, Ohio, Attention: Lt. Col. P. I. Doty.

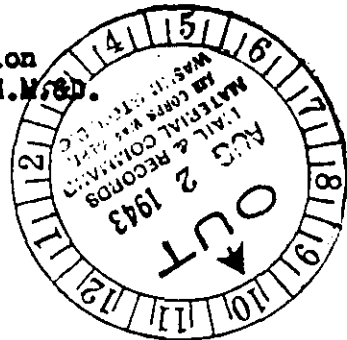
Very truly yours,

B. E. MEYERS
Brig. General, U. S. Army
International Officer for A.A.F.

By:

H. R. PAIGE
Colonel, Air Corps
Chief, International Section
Material Division, ACAS, M.W.B.

Incl.:
Memo fr UNB dtd 7/12/43



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11
COPY

WAR DEPARTMENT
HEADQUARTERS ARMY SERVICE FORCES
WASHINGTON

SPFDL-161

2 August 1943

MEMORANDUM For Colonel Park Holland
Chief, Air Force Procurement Liaison Branch
Purchases Division

Subject: Contracting Officers

X 300.8

1. An attempt has been made to redraft Procurement Regulation 302.3 in line with suggestions made in basic communication. See the redraft attached.

2. It is believed to be preferable to lay down an expansive definition of the term "authorized representative" rather than of the term "contracting officer." The term "authorized representative," as used in many contracts, is believed to be more readily susceptible of such definition than the term "contracting officer." The net effect is the same.

3. Comment is invited. If the redraft is considered adequate it will be promptly published in Procurement Regulations.

/s/ W. L. Marbury

WILLIAM L. MARBURY
Chief Counsel,
Purchases Division

Encls.

Memo dated 7/21/43
1st Ind. dated 7/28/43
Redraft of PR 302.3

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Contracting
Office

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1st Ind.

Air Force Procurement Liaison Branch, Purchases Div., 6 August 1943.
To: The Chief, Procurement Branch, Office, Assistant Chief of Air
Staff, M. H. & D.

300.3
1. Attention is invited to the attached memorandum dated 2 August 1943 from Mr. Marbury attaching proposed redraft of Procurement Regulation 302.2. It would seem that the proposed regulation would, if full advantage is taken of paragraph (4) thereof, accomplish the purpose you desire.

2. Request remark and return of papers to this office at the earliest practicable time.

By direction of the Under Secretary of War:

~~Signature~~
PARK HOLLAND,
Colonel, Air Corps,
Chief of Branch.

1 Incl.
Memo. fr. Mr. Marbury
dated 8-2-43

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Subject: Contracting Officers.

2nd Ind.

AFDRA-5A
KPS:hhk

Headquarters, Army Air Forces, Washington, D. C., 11 August 1943

To: The Chief, Air Force Procurement Liaison Branch,
Purchases Division,
Office of the Under Secretary of War
Attention: Colonel Park Holland
Room 5D-725 Pentagon Building

1. The Purchase Division's proposed redraft of PR 502.3 is not considered adequate. It attempts to accomplish the desired result by indirection, and in so doing opens the door for further doubts and misunderstandings, such as the following:

a. Each contracting officer, "when acting within the scope of the orders" appointing him, is said to be an authorized representative of each other contracting officer. This means that in each instance the validity of his act must depend upon an interpretation of orders which say nothing about authority in a representative capacity and which were not written in contemplation of such an agency relationship.

b. It is stated that an authorized representative shall not, by virtue of his designation as a representative, be empowered to execute any contract or supplemental agreement. This is qualified by the statement that a representative who is also a contracting officer may execute contracts and supplemental agreements "pursuant to the order appointing him a contracting officer". But it will seldom, if ever, be found that an order appointing a contracting officer will authorize him to execute supplemental agreements appurtenant to contracts signed by other contracting officers. Is the legal effect, then, to constitute each agreement, purporting to be supplemental, actually an independent contract?

2. There is thought to be no good reason why a fiction of agency should be preserved where in fact no agency exists. It must be borne in mind that contracting officers of the Material Command have acted as though they were interchangeable. When B has signed a supplemental agreement appurtenant to a contract signed by A, A has not signed as A's representative.

3. This headquarters believes that it is indispensable to Army Air Forces procurement that the term "the contracting officer" be defined in the Procurement Regulations to include any contracting officer authorized

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OFFICE SYMBOL	1	2	3	4	5	6
SIGNATURE OF RESPONSIBLE OFFICER						
INTERNAL OFFICE COORDINATION						

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Subject: Contracting Officers
To: The Chief, Air Force Procurement Liaison Branch
Purchases Division, OUSW
Attention: Colonel Park Holland

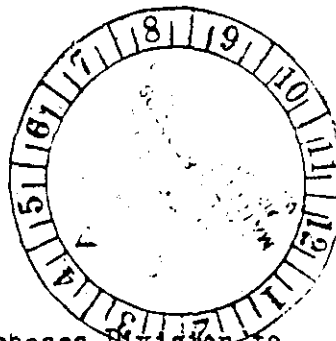
AFDMA-5A
EPS:hk
12 August 1943
2nd Ind.

to act in the premises at any time.

For the Commanding General, Army Air Forces:

W. F. VOLANET,
Colonel, Air Corps,
Chief, Procurement Branch,
Office, Assistant Chief of Air Staff,
Material, Maintenance and Distribution.

Incl.
n/c



Basic ltr. fr. Hqs. ASF, Chief Counsel, Purchases Division to
Chief, Air Force Procurement Liaison Branch, Purchases Division. - 2 Aug. 1943
1st Ind. fr. AF Proc. Liaison Br., Pur. Div. to Chief, Proc. Branch,
Office, AC/AS, MM&D. - 6 August 1943.

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SIGNATURE OF RESPONSIBLE OFFICER	[Signature]					
INTERNAL OFFICE COORDINATION	EPS	201	AKIA	4		

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[PR 302.3] Contracting Officer.— (1) A contracting officer is an officer or civilian official of the War Department who has been appointed by any one of the following persons, or by their direction, or in accordance with such orders and regulations as they may prescribe for their respective commands, to execute contracts on behalf of the United States:

- (a) the Secretary of War;
- (b) the Under Secretary of War;
- (c) the Commanding General in a Theatre of Operations;
- (d) the Assistant Chief of Air Staff, M. M. and D.;
- (e) the Director, Purchases Division, Army Service Forces;
- (f) the Chief of any Technical Service.

(2) Except as otherwise in the instrument specifically provided, the words "contracting officer," when used in any existing or future contract, supplemental agreement or change order, are construed to include his duly appointed successor or authorized representative.

(3) "Authorized representative" includes:

- (a) all contracting officers, when acting within the scope of the orders respectively appointing them contracting officers;
- (b) any officer or civilian official designated by the Chief of a Technical Service or the Assistant Chief of Air Staff, M. M. and D., to act as representative of a particular contracting officer or his duly appointed successor, when acting within the scope of the order of designation;
- (c) any contracting officer assigned to a particular command or station designated by the commanding officer to act as representative of another contracting officer assigned to the same command or station or of a contracting officer's duly

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appointed successor so assigned, when acting within the scope of the order of designation;

(d) any officer or civilian official designated by an authorized representative, as defined in (a), (b) or (c) above, to act for him, when acting within the scope of the order of designation.

(4) The orders of designation referred to in (b), (c) and (d) of sub-paragraph (3) above may be made by instructions referring to particular contractual instruments or classes of instruments, and may, to the extent not specifically prohibited by the terms of the contractual instrument involved, empower the authorized representative to take all action thereunder which the contracting officer referred to in the instrument is empowered to take. In no event, however, shall an authorized representative, by virtue only of his designation as such, be empowered to execute any contract or supplemental agreement (as distinguished from change order). Of course, if the authorized representative is a contracting officer, he may, pursuant to the order appointing him a contracting officer, execute contracts or supplemental agreements.

(5) All action heretofore taken which would have been valid if this paragraph 302.3 had then been in effect, is hereby ratified and confirmed.

ORIGINAL
(Red)

ORIGINAL
(Red)

ARMY AIR FORCES
HEADQUARTERS OF THE MATERIEL COMMAND

86:RTT:bs

WRIGHT FIELD, DAYTON, OHIO

2 August 1943

Subject: Contract W535 ac-40215
Jacobs Aircraft Engine Company

To: Commanding General
Army Air Forces
Washington, 25, D. C.


1540

Att: Asst C/AS, M M & D, Materiel Division

1. Forwarded herewith, prepared for signature in your office, is a letter to be Under Secretary of War transmitting one (1) number and two (2) cover pages of contract.

2. An extra copy of subject contract marked "Advance Copy" is forwarded herewith for the files of your office.

For the Commanding General:


A. E. JONES
Brig. General, U. S. A.
Chief, Procurement Division

Encls:
Ltr. to U.S.O.W.
w/enclosures
Adv. Cy. Contract ac-40215

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(Red)

SPPLP - 161

1st Ind.

Air Force Procurement Liaison Branch, Purchases Div., 6 August 1943.
 To: The Commanding General, AAF, Office, Assistant Chief of Air Staff, M. W. & D.

1. Attention is invited to the attached one (1) number and two (2) cover sheets of Contract W 535 ac-40215 with Jacobs Aircraft Engine Company, Pottstown, Pennsylvania, approved by Special Representative of the Under Secretary of War this date.

By direction of the Under Secretary of War:

PARK HOLLAND,
 Colonel, Air Corps,
 Chief of Branch.

Incls: N/c

ORIGINAL
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47121

ARMY AIR FORCES

HEADQUARTERS OF THE NATIONAL

Basic ltr. fr. WD HQ, AAF C, AC/AS MM&D CPB to USW 8-5-43
1st Ind. fr. AFPLB, PD to C.G. AAF C, AC/AS 8-5-43

Subject:

Subject: Contract V 535 ac-40215

2nd Ind.

AFDMA-5A
HAS:dao

Headquarters, Army Air Forces, Washington, D. C., 7 August 1943.

To: Commanding General, Materiel Command, Wright Field, Dayton, Ohio.
Attention: Chief, Procurement Division.

1. Returned herewith as approved are one number and two cover sheets of subject contract with Jacobs Aircraft Engine Company.

By command of General ARNOLD:



Inclame
H/c

F. WORKUM, LT. COLONEL, AIR CORPS
Chief, Contract Section, Procurement Branch
Office, Assistant Chief of Air Staff, MM&D

HQ. AAF

10 AUG 1943

MAIL SECTION

COL	1 AFDMA-5A	2	3	4	5	6
OFFICER	<i>JW</i>					
CLERK	<i>mc</i>	<i>mc</i>				
			-3-			

ORIGINAL
(Red)

INDEX SHEET

: 452.13 Lycoming
FILE : 452.13 Jacobs
:
:
:

452.13

Date
August 12, 1943

SYNOPSIS

From: AFDMA-4A

To: CG, Materiel Command, AAF, Wright Fld., Ohio

Subject: Status of Equipment Change
Requests - Transmittal of Authorities for Change of
Status of Equipment covering certain engines which were
approved for the classification recommended by Requirements Div., OC&R on Aug. 10, 1943.

~~400.1~~

Original filed under No.

400.1 Misc

R

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INDEX SHEET

FILE : 462.13 Jacobs Engines.

Derte

August 30, 1943

SYNOPSIS

From: AFDMA-4B

To: Commanding General, Air Service Command, Patterson Field, Ohio.

Subject: RFDA Nos. 41021 AUS & 41021-A1 AUS,
JAC Case No 4438 (Parts for Jacobs Engines)

Original filed under No.

~~452.13 Engine Parts.~~

E

MAILED
AAF #2

9 October 1943.

Definition of Term "Contracting Officer"

Commanding General
Army Service Forces
Washington, D. C.
Attention: Fiscal Director

1. The War Department Industrial Property Accounting Manual, dated 16 February 1943, governs the manner of accounting for government-owned property in connection with Cost-Plus-A-Fixed-Fee contracts of the Army Air Forces, as well as branches of the Army Service Forces.

2. Because of the fact that the term "Contracting Officer" is used repeatedly in the above manual, it is necessary that the true meaning of the term be clearly understood in all cases. Some ambiguity arises because of the difference in the functions and duties of the "Contracting Officer" in the Materiel Command, Army Air Forces, and elsewhere in the Army. In Ordnance, and possibly some other branches, the "Contracting Officer" has the duty of supervising all personnel performing any duty in connection with any particular contract, including the Accountable Property Officer. However, in Materiel Command, Army Air Forces, the "Contracting Officer" is a member of the staff of the AAF Resident Representative who, in turn, supervises all personnel stationed at the plant of the contractor in question.

3. It is believed, therefore, that the term "Contracting Officer", where it refers to the officer passing primarily on questions regarding administration of contracts, can be taken to mean "Contracting Officer" as the term is used within Materiel Command, Army Air Forces. However, when the term "Contracting Officer" in the manual refers to the officer in charge of all personnel performing any duty or having any responsibility in connection with the contract, this should be interpreted as meaning the AAF Resident Representative, as used in Materiel Command, Army Air Forces.

4. It is felt that in the following numbered paragraphs the term "Contracting Officer", as used in the above manual, contemplates an officer who has the function of supervising other Air Corps personnel at the plant of the contractor and should, therefore, be interpreted as meaning Army Air

OFFICE SYMBOL	1	2	3	4	5	6
SIGNATURE OF RESPONSIBLE OFFICER						
INTERNAL OFFICE COORDINATION						

To: CG, ASF. Attn: Fiscal Director
Subject: Definition of term "Contracting Officer"
9 October 1943

Forces Resident Representative, as the term is used within the Materiel Command, Army Air Forces:

Paragraph No. 304	Paragraph No. 902
" " 304b	" " 904
" " 304c	" " 905
" " 305	" " 908
" " 308	

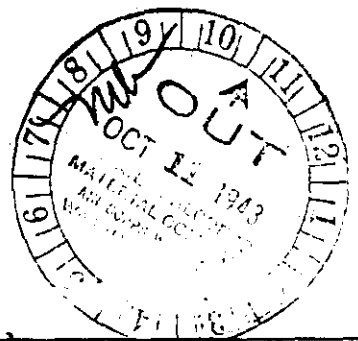
5. It is felt that if there is any differentiation made as to the definition of the term "Contracting Officer" as provided in the preceding paragraph, then it would be necessary to include the term "Resident Representative" as well as "Contracting Officer" in paragraphs 212 and 213.

6. It is felt that "Contracting Officer" as used in the remainder of the manual can properly be construed to mean the "Contracting Officer" as contemplated by Materiel Command, Army Air Forces.

7. If it is believed by your office, that some clarification is needed as outlined above, it is contemplated that instructions should go forward from this Headquarters to the various Materiel Command activities, so informing them. Comments and recommendations of your office relative to this matter are desired.

For the Commanding General, Army Air Forces:

W. F. VOLANDT
Colonel, Air Corps
Chief, Procurement Branch
Office, Assistant Chief of Air Staff
Materiel, Maintenance and Distribution



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OFFICE SYMBOL	1 AFMA-5A	2	3	4	5	6
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(Red)

Subject: Definition of Contracting Officer
SPFCK 461/422711 General 1st Ind.

Headquarters, Army Service Forces, Office of the Fiscal Director,
Washington 25, D. C. 80 OCT 1943

To: The Commanding General, Army Air Forces. Attention: Assistant
Chief of Air Staff, Material, Maintenance and Distribution.

1. The term "Contracting Officer" as used in the War Department
Industrial Property Accounting Manual is defined in paragraph 107 thereof,
which is quoted below:

"107. The term 'Contracting Officer' as used herein
shall be deemed to include his duly appointed successor or
the authorized representative or representatives of such
Contracting Officers with respect to the particular adminis-
trative duty under discussion."

The above is in conformity with the definition of the term "Contracting
Officer" as set forth in the ordinary Cost-Plus-A-Fixed-Fee Contract
and was so phrased as to recognize the varied methods of delegation of
duties with respect to the administration of such contracts.

2. With reference to paragraph 4 of the basic communication, if
the administrative duties in regard to receipt and inspection of
property and control of Government-owned scrap have been appropriately
delegated to "Army Air Force Resident Representatives," then the term
"Contracting Officer" as used in the cited paragraphs of the Manual
may properly be construed to mean the "Resident Representative" and
this office is agreeable to the issuance by your office of suitable
instructions where necessary to clarify the use of the term "Contracting
Officer" in application to Materiel Command activities.

For the Commanding General, Army Service Forces:

(Signed) DAVID S. McLEAN

D. S. McLEAN
Colonel, J.A.G.D.,
Acting Fiscal Director.

ORIGINAL
(Red)

Subject: Definition of Term "Contracting Officer"

2nd Ind.

AFDMA-5A
HAS:gdg

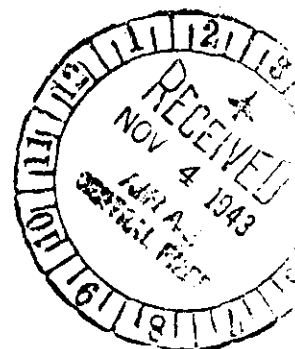
Headquarters, Army Air Forces, Washington, D. C., 2 November 1943.

To: Commanding General, Materiel Command, Wright Field, Dayton, Ohio.
Attention: Chief, Procurement Division.

1. Attention is invited to preceding indorsement.
2. Basic communication was written in accordance with letter from your office dated 5 October 1943 (EC:gp:HQL).

By command of General ARNOLD:

W. F. VOLANT
Colonel, Air Corps
Chief, Procurement Branch
Office, Assistant Chief of Air Staff
Materiel, Maintenance & Distribution



Basic Ltr. fr. Hqs. AAF to CG, ASF, Att: Fisc. Dir., 9 Oct. 1943
1st Ind. fr. Hqs. ASF, O, Fisc. Dir. to CG AAF, Att: ACOAS, M&D, 30 Oc

HQ. AAF
3 NOV 1943
M M & D MAIL SECTION

OFFICE SYMBOL	1 AFDMA-5A	2	3	4	5	6
SIGNATURE OF RESPONSIBLE OFFICER						
INTERNAL OFFICE COORDINATION	14083					

ORIGINAL

COPY

WAR DEPARTMENT
HEADQUARTERS ARMY SERVICE FORCES
WASHINGTON

SPEDL-16142

2 August 1943

FOR THE RECORD
The Chief, Air Force Procurement Liaison Branch
Purchases Division

MEMORANDUM For Colonel Park Holland

1. Chief, Air Force Procurement Liaison Branch
Purchases Division

Subject: Contracting Officers

X 300.8

1. An attempt has been made to redraft Procurement Regulation 302.3 in line with suggestions made in basic communication. See the redraft attached.

2. It is believed to be preferable to lay down an expansive definition of the term "authorized representative" rather than of the term "contracting officer." The term "authorized representative," as used in many contracts, is believed to be more readily susceptible of such definition than the term "contracting officer." The net effect is the same.

3. Comment is invited. If the redraft is considered adequate it will be promptly published in Procurement Regulations.

/s/ W. L. Marbury

WILLIAM L. MARBURY
Chief Counsel,
Purchases Division

Encls.

Memo dated 7/21/43
1st Ind. dated 7/28/43
Redraft of PR 302.3

(11)

161

Contracting

Office

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(Red)

SPPDF - 161

1st Ind.

Air Force Procurement Liaison Branch, Purchases Div., 6 August 1943.

To: The Chief, Procurement Branch, Office, Assistant Chief of Air Staff, M. H. & D.

1. Attention is invited to the attached memorandum dated 2 August 1943 from Mr. Marbury attaching proposed redraft of Procurement Regulation 302.2. It would seem that the proposed regulation would, if full advantage is taken of paragraph (4) thereof, accomplish the purpose you desire.

2. Request remark and return of papers to this office at the earliest practicable time.

By direction of the Under Secretary of War:

PARK HOLLAND,
Colonel, Air Corps,
Chief of Branch.

1 Incl.

Memo. fr. Mr. Marbury
dated 8-2-43

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REMARKS	
INITIALS	
SIGNATURE	
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ORIGINAL
FILED

Subject: Contracting Officers.

2nd Ind.

AFDMA-5A
MPS:hk

Headquarters, Army Air Forces, Washington, D. C., 11 August 1943

To: The Chief, Air Force Procurement Liaison Branch,
Purchases Division,
Office of the Under Secretary of War
Attention: Colonel Park Holland
Room 5D-725 Pentagon Building

1. The Purchase Division's proposed redraft of PR 302.3 is not considered adequate. It attempts to accomplish the desired result by indirection, and in so doing opens the door for further doubts and misunderstandings, such as the following:

a. Each contracting officer, "when acting within the scope of the orders" appointing him, is said to be an authorized representative of each other contracting officer. This means that in each instance the validity of his act must depend upon an interpretation of orders which say nothing about authority in a representative capacity and which were not written in contemplation of such an agency relationship.

b. It is stated that an authorized representative shall not, by virtue of his designation as a representative, be empowered to execute any contract or supplemental agreement. This is qualified by the statement that a representative who is also a contracting officer may execute contracts and supplemental agreements "pursuant to the order appointing him a contracting officer". But it will seldom, if ever, be found that an order appointing a contracting officer will authorize him to execute supplemental agreements appurtenant to contracts signed by other contracting officers. Is the legal effect, then, to constitute each agreement, purporting to be supplemental, actually an independent contract?

2. There is thought to be no good reason why a fiction of agency should be preserved where in fact no agency exists. It must be borne in mind that contracting officers of the Materiel Command have acted as though they were interchangeable. When B has signed a supplemental agreement appurtenant to a contract signed by A, B has not signed as A's representative.

3. This headquarters believes that it is indispensable to Army Air Forces procurement that the term "the contracting officer" be defined in the Procurement Regulations to include any contracting officer authorized

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SIGNATURE OF RESPONSIBLE OFFICER						
INTERNAL OFFICE COORDINATION						

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Subject: Contracting Officers
To: The Chief, Air Force Procurement Liaison Branch
Purchases Division, OUSW
Attention: Colonel Park Holland

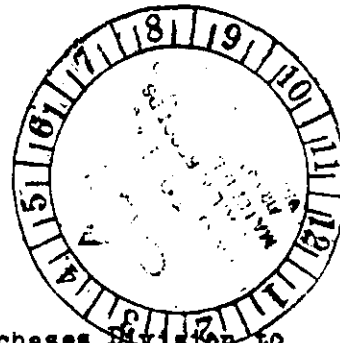
AFDMA-5A
EPS:hk
12 August 1943
2nd Ind.

exp:est in the premises at any time.

For the Commanding General, Army Air Forces:

W. F. VOLARDT,
 Colonel, Air Corps,
 Chief, Procurement Branch,
 Office, Assistant Chief of Air Staff,
 Materiel, Maintenance and Distribution.

Incl.
 n/s



Basic ltr. fr. Hqs. ASF, Chief Counsel, Purchases Division to
 Chief, Air Force Procurement Liaison Branch, Purchases Division. - 2 Aug. 1943
 1st Ind. fr. AF Proc. Liaison Br., Pur. Div. to Chief, Proc. Branch,
 Office, AC/AS, MM&D. - 6 August 1943.

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SIGNATURE OF RESPONSIBLE OFFICER	AFDMA-5A					
INTERNAL OFFICE COORDINATION	EPS 2w	PRM				

[PR 302.3] Contracting Officer.— (1) A contracting officer is an officer or civilian official of the War Department who has been appointed by any one of the following persons, or by their direction, or in accordance with such orders and regulations as they may prescribe for their respective commands, to execute contracts on behalf of the United States:

- (a) the Secretary of War;
- (b) the Under Secretary of War;
- (c) the Commanding General in a Theatre of Operations;
- (d) the Assistant Chief of Air Staff, M. M. and D.;
- (e) the Director, Purchases Division, Army Service Forces;
- (f) the Chief of any Technical Service.

(2) Except as otherwise in the instrument specifically provided, the words "contracting officer," when used in any existing or future contract, supplemental agreement or change order, are construed to include his duly appointed successor or authorized representative.

(3) "Authorized representative" includes:

- (a) all contracting officers, when acting within the scope of the orders respectively appointing them contracting officers;
- (b) any officer or civilian official designated by the Chief of a Technical Service or the Assistant Chief of Air Staff, M. M. and D., to act as representative of a particular contracting officer or his duly appointed successor, when acting within the scope of the order of designation;
- (c) any contracting officer assigned to a particular command or station designated by the commanding officer to act as representative of another contracting officer assigned to the same command or station or of a contracting officer's duly

appointed successor so assigned, when acting within the scope of the order of designation;

(d) any officer or civilian official designated by an authorized representative, as defined in (a), (b) or (c) above, to act for him, when acting within the scope of the order of designation.

(4) The orders of designation referred to in (b), (c) and (d) of sub-paragraph (3) above may be made by instructions referring to particular contractual instruments or classes of instruments, and may, to the extent not specifically prohibited by the terms of the contractual instrument involved, empower the authorized representative to take all action thereunder which the contracting officer referred to in the instrument is empowered to take. In no event, however, shall an authorized representative, by virtue only of his designation as such, be empowered to execute any contract or supplemental agreement (as distinguished from change order). Of course, if the authorized representative is a contracting officer, he may, pursuant to the order appointing him a contracting officer, execute contracts or supplemental agreements.

(5) All action heretofore taken which would have been valid if this paragraph 302.3 had then been in effect, is hereby ratified and confirmed.

Ref: MO-6/JR/cen

FILED
AAF #21

12 October 1943

Insurance - Contract W 535 20-210-2
Jacobs Aircraft Engine Company

X 0 9 5

Office of Assistant Chief of Air Staff
Material, Maintenance and Distribution
Headquarters, Army Air Forces
Washington, D. C.

(20) 019 - Price.

1. The following enclosure has been approved by this Command
is for transmittal in accordance with Procurement Regulations 195
Chief, Contract Insurance Branch, Special Financial Services Division
Office of the Fiscal Director, Headquarters, Army Service Forces, Wash-
ington, D. C. It is forwarded to your office in accordance with Part
Section 4-4-23 of the Army Air Forces Procurement Instructions No. 4.

a. The Travelers Indemnity Company Boiler and Machinery
Policy No 452082 insuring the Defense Plant Corporation.

2. This policy is the renewal of Hartford Steam Boiler In-
surance and Insurance Company Policy 86-605 which was forwarded to the
Chief, Contract Insurance Branch, Special Financial Services Division
23 March 1943 and which expired 2 October 1943.

For the Commanding General, AAF Material Command

A. E. JONES
Brig. General, U.S.A.
Chief, Procurement Division

Encl.
Encl. 452082

PFF

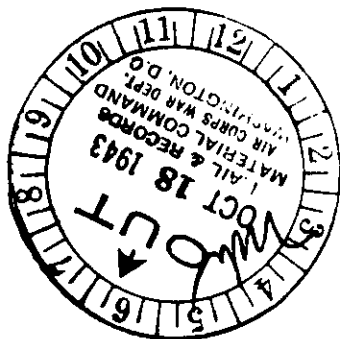
DECLASSIFIED
DATE 7/3/03
BY P. M. G. R. 4-12-93

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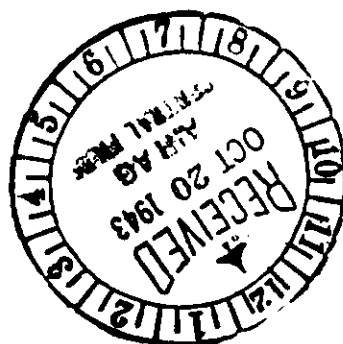
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 NND 730032
 By P. MCORE NARS, Date 4-12-93

1	ADMA-5A	2	3	4	5	6

Basic Ltr. Tr. AAF Materiel Command, W.F., to Hq. AAF, OAC/AS, NWED 10-12-43



ORIGINAL (Red)



V. F. VOLANT
 Colonel, Air Corps
 Chief, Procurement Branch
 Office, Assistant Chief of Air Staff
 Materiel, Maintenance & Distribution

For the Commanding General, Army Air Forces:

Forwarded with approval of inclosures to basic communication.

Placed Director.
 Commanding General, Army Service Forces, Attention: Chief, Contract
 Insurance Branch, Special Financial Services Division, Office of the
 Quarter, Army Air Forces, Washington, D. C., 18 October 1943.

1st Ltr.

ADMA-5A

Insurance - Contract & 825 20-21023
 Jacobs Aircraft Engine Company

ADMA-5A
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 Ext. 72433

REPRODUCTION TAB

ORIGINAL
(Red)

AIRMAIL-43
EX-103

23 October 1943

Renegotiation with Jacobs Aircraft Engine Company
Pottstown, Pennsylvania

AC District Supervisor
AAF Materiel Command
Price Adjustment Section
67 Broad Street
New York 4, N.Y.

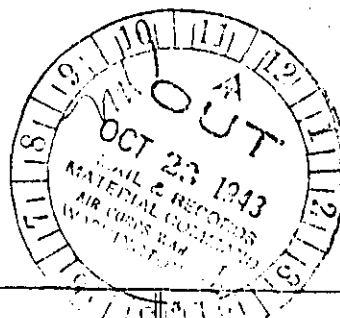
1. In accordance with the War Department Price Adjustment Board's letter of 13 October 1943, a copy of which is inclosed, returned herewith are copies of the Report and Agreement with the above mentioned contractor. This case is being sent direct to the district in order that prompt attention may be given to the problem.

2. The Board has indicated to this office that the recovery should be increased by approximately \$800,000 to \$900,000 in order to be consistent with settlements that have been approved.

For the Commanding General, Army Air Forces:

HARRY E. GREEN
Major, Air Corps
Chief, Price Adjustment &
Control Office, H. H. & F.

Oct 13 Oct 43
Price Adjustment & Agreements



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AFMMD-4P
22 November 1943
GIE/rbn

Jacobs Aircraft Engine Company,
Pottstown, Pennsylvania

Commanding General
AAF Materiel Command
Price Adjustment Office
Wright Field, Dayton, Ohio

Reference has been received in Washington with one copy
of the required number of copies of the supplemental Report
of 11/11/43. It is requested that one additional conformed
copy of Report be furnished.

By command of General ARNOLD:

GEORGE I. EMERY
Major, Air Corps
Deputy Chief, Price Adjustment Branch
Control Office, M. M. & D.

HQ. AAF

HQ. AAF

M. M. & D. CONTROL

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(Red)

AF 100-4F
22 November 1943
ELM:fw

Jacobs Aircraft Engine Co.
Pottstown, Pa.

War Department
Price Adjustment Board
Room 3D-645, The Pentagon

Attention: Mr. Maurice Hirsch,
Vice-Chairman

1. Inclosed are the required copies of the Report, which is prefaced by an Addendum dated 18 November 1943, and Agreement with the above mentioned Contractor.

2. It should be pointed out that this case was previously transmitted to the Board by this office on 2 October 1943. However, in a letter dated 13 October 1943 the Board indicated that the settlement had been disapproved inasmuch as excessive profits had not been fully recovered. The case was returned to the Eastern District, which has prepared the Addendum mentioned above. No additional recovery has been obtained inasmuch as the Board is of the opinion that the original settlement was proper. In this respect, as indicated in the Addendum, it is suggested that the Board still believes that a further recovery is proper the case should be considered an impasse.

3. The above mentioned matter should be given prompt attention. This office requests that it be advised as to what action the Board proposes to take.

For the Commanding General, Army Air Forces:



GEORGE I. EMERY
Major, Air Corps
Deputy Chief, Price Adjustment Branch
Control Office, M. M. & D.

Enclosures
Report and Agreement

AF 100-4F	2	3	4	5	6
G. I. EMERY					

Ref: 80-4/30/000

25 November 1945

Insurance - Cost-Plus-Fixed-Fee
 Contract # 975 on-81078
 Jacobs Aircraft Engine Company X095

Office of Assistant Chief of Air Staff
 Material, Maintenance and Distribution
 Headquarters, Army Air Forces
 Washington, D. C.

The following enclosure has been approved by this Council
 for transmittal in accordance with Procurement Regulations 1493
 Office of the Fiscal Director, Army Service Forces, Attention:
 1, Contract Insurance Branch, Special Financial Services Division,
 Pentagon, Washington 25, D. C. It is forwarded to your office in
 accordance with Part 10, Section 1-4-25 of the Army Air Forces Pro-
 cedure Instructions No. 41

Schedule No. 9 for attachment to Travelers Indemnity
 Company Boiler and Machinery Policy No. 80-15151, insuring
 the Defense Plant Corporation.

Policy to which this endorsement should be attached was
 issued by this Council on 9 September 1945.

For the Contracting Council:

A. R. JONES
 Brigadier General, U.S.A.
 Chief, Procurement Division

Schedule No. 9

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 Recd
 AAF #11

(27) 019 Mined.

REPRODUCTION TAB

AFDMA-5A

HAS:dao ORIGINAL
Ex. 73433 Red

Insurance - Cost-Plus-A-Fixed-Fee
Contract # 885 ac-21088
Jacobs Aircraft Engine Company

1st Ind.

AFDMA-5A

Warters, Army Air Forces, Washington, D. C., 20 November 1943.

Commanding General, Army Service Forces. Attention: Chief, Contract
Base Branch, Special Financial Services Division, Office of the Fiscal
Off.

1. Forwarded with approval of inclosure to basic communication.
2. Attention is invited to 2nd paragraph of basic communication.

For the Commanding General, Army Air Forces:

V. F. VOLAHNE
Colonel, Air Corps
Chief, Procurement Branch
Office, Assistant Chief of Air Staff
Material, Maintenance and Distribution



HQ AAF

NOV 29 1943

M M & D MAIL SECTION

1tr. fr. HQ, Mat. Com. W.F. to O, AC/AS MMAD 11-23-43.

ORIGINAL
(Red)

DECLASSIFIED
NND 73003-2
By P. MOORE NARS, Date 4-12-93

7-1

2. This Command is in receipt of only one copy of the Insurance Carrier's Statements of Earned Premiums for the period 1-27-43 to 8-31-43.

3. Insurance Adviser's Statements of Services Rendered Policy No. HMC-10000, HMC-10000 for the period 1-27-43 to 8-31-43.

4. Insurance Adviser's Statements of Earned Premiums Policy No. HMC-10000, HMC-10000 and HMC-10000 for the period 1-27-43 to 8-31-43.

5. Insurance Carrier's Statements of Earned Premiums Policy No. HMC-10000 for the period 1-27-43 to 8-31-43.

6. Insurance Carrier's Statements of Earned Premiums Policy No. HMC-10000 for the period 1-27-43 to 8-31-43.

7. Insurance Carrier's Statements of Earned Premiums Policy No. HMC-10000 for the period 1-27-43 to 8-31-43.

8. In accordance with requirements of Paragraph 493 of Army Regulation No. 4 and Part 10, Section 4-4-23 of Army Regulation No. 4, Insurance Carrier's Statements of Earned Premiums, Insurance Adviser's Statements of Services Rendered, and Insurance Adviser's Statements of Earned Premiums for the period indicated for the following policies written under the War Department Insurance Rating Plan, covering operations of the Contractor listed below, are enclosed herewith for transmittal to Chief, Contract Insurance Branch, Special Financial Division, Office of the Fiscal Director, Headquarters, Army Air Forces, The Pentagon, Washington 25, D. C.

Reports required by War Department Insurance Rating Plan - (Check appropriate Rating Plan)
Contract # 935 88-21072
Office of Assistant Chief of Staff
Material, Maintenance and Distribution
Headquarters, Army Air Forces
Washington, D. C.
Contract Insurance Branch

30 November 1943

Ref: 80-6/273/WFS

PAGE 1

SECTION 7A8

NAME

610112

NAME

SECTION TAB

PAGE 1

cc: Reports Required by War Department Insurance
Rating Plan - Jacobs Aircraft Engine Company
Contract W 595 ac-21052
Office of Assistant Chief of Air Staff, Material, Maintenance
and Distribution, Headquarters, Army Air Forces, Washington, D. C.
Attention: Procurement Branch

7-42 to 7-31-42 and 1-27-43 to 2-27-43 and the Insurance Advisor's
statements of Earned Fees for the period 1-27-43 to 2-27-43 under the
two mentioned policies. The Contractor has been advised of this
discrepancy, and upon receipt of additional copies, the same will
be forwarded.

For the Commanding General, AAF Materiel Command:

A. E. JONES
Brig. Gen., U.S.A.
Chief, Procurement Division

Encls.
As mentioned par. 1
of this letter

ORIGINAL

DECLASSIFIED
DATE 7/30/82
BY SP-6/RS

REPRODUCTION TAB

DUCTION TAB

HAS/slb/73433

ltr. fr. Hq. AAF Materiel Command to Hq. AAF, CAC/AS, W&D 11-30-43

Reports Required by War Department Insurance Rating Plan -
Jacobs Aircraft Engine Company Contract V 525 as-21082

AFDMA-5A

1st Ind.

Director, Army Air Forces, Washington, D. C., 4 December 1943.

Commanding General, Army Service Forces, Attention: Chief, Contract
Insurance Branch, Special Financial Services Division, Office of the
Fiscal Director.

Forwarded in compliance with Paragraph 403 of War Department Procedure
Regulations.

For the Commanding General, Army Air Forces:

PFE

ORIGINAL
(Red)



HQ AAF

DEC 4 - 1943

W & D MAIL SECTION

W. F. VOLAND
Colonel, Air Corps
Chief, Procurement Branch
Office, Assistant Chief of Air Staff
Material, Maintenance & Distribution

1	2	3	4	5	6
AFDMA-5A					
HAS	mm	CLT. 1			
SW					

16-50643-1 U. S. GOVERNMENT PRINTING OFFICE

BY J. M. G. 4-12-43
RECEIVED
NOV 23 1943

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REPRODUCTION TAB

REPRODUCTION TAB

Ref: SO-4/JES/esh

14 December 1943

Insurance - Contract W 533 as-42092
Jacob Aircraft Engine Company

X 095

Office of Assistant Chief of Air Staff
Material, Maintenance and Distribution
Headquarters, Army Air Forces
Washington 25, D. C.

FILED
AAF #7

@ 014 msc.

1. The following enclosures have been approved by this Command and are for transmittal in accordance with Procurement Regulations 93 to Office of the Fiscal Director, Army Service Forces, Attention: Chief, Contract Insurance Branch, Special Financial Services Division, The Pentagon, Washington 25, D. C. They are forwarded to your office in accordance with Part 10, Section 4-b-23 of the Army Air Forces Procurement Instructions No. 44

- a. Endorsement #11 for attachment to Indemnity Insurance Company Workmen's Compensation Policy WPC 10000;
- b. Endorsements Nos. 2, 3, and 4 for attachment to Indemnity Insurance Company Comprehensive Liability Policy WCL 10000.

2. The policies to which the above endorsements are to be attached were forwarded 27 July 1942.

For the Commanding General:

D. G. SWATLAND
Colonel, Air Corps
Acting Chief,
Procurement Division

as stated in Par. 1 above.

ORIGINAL
(Red)

REPRODUCTION TAB

SECTION 740

44

JPH:gdp

Ext. 73433

Subject: Insurance - Contract V 525 as-2002
Jacobs Aircraft Engine Company

1st Ind.

AFMA-5A

Headquarters, Army Air Forces, Washington 25, D. C., 17 December 1943

To: Commanding General, Army Service Forces, Attention: Chief,
Contract Insurance Branch, Special Financial Services
Division, Office of the Fiscal Director.

Forwarded with approval of inclosures to basic communication.

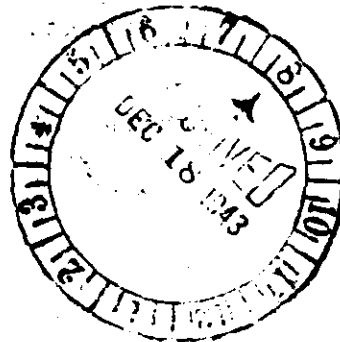
For the Commanding General, Army Air Forces:

W. F. VOLANDT
Colonel, Air Corps
Chief, Procurement Branch
Office, Assistant Chief of Air Staff
Material, Maintenance & Distribution

Encls:

2/c.

W.F. Volandt
HQ AAF
DEC 17 1943
W & D MAIL SECTION



10 Mr. fr. Hqs. MC, WF to OACQAS, 104AD 14 Dec. 1943

ORIGINAL
(Red)

REPRODUCTION TAB

TAB

NAME

REPRODUCTION TAB

Ref: 60-4/221/ack

ORIGINAL
(Red)

29 December 1943

Insurance - Contract # 555 no-21092
Jencks Aircraft Engine Company 1095

Office of Assistant Chief of Air Staff
Material, Maintenance and Distribution
Headquarters, Army Air Forces
Washington, D. C.

FILED
AAF #7

19
019 maw

1. The following enclosure has been approved by this Command in for transmittal in accordance with Procurement Regulation 193, Office of the Fiscal Director, Army Service Forces, Attention, Contract Insurance Branch, Special Financial Services Division, Pentagon, Washington 25, D. C. It is forwarded to your office in accordance with Part 10, Section 4-4-43 of the Army Air Forces Procurement Instructions No. 1:

2. Certificate of Insurance for Policy No. ME-226613 of the Insurance Company of North America, providing evidence of comprehensive coverage on automobiles owned by the Defense Plant Corporation.

3. The insurance provided under Policy No. ME-226613 replaces previously provided under Policy No. ME-161133, expiring 11 December 1943, Policy No. ME-161133, expiring 11 December 1943, Policy No. ME-161133, expiring 11 December 1943, Policy No. 160706, expiring 29 December 1943. These expiring policies were forwarded to the Contract Insurance Branch, Special Financial Services Division 25 March 1943.

For the Sponsoring General:

D. G. SMITHLAND
Colonel, Air Corps
Acting Chief,
Procurement Division

PFE

ORIGINAL
(Red)

AB

REPRODUCTION TAB

NAME

DATE 00-0/200/100

29 December 1943

X095

James Stewart Taylor, Jr.
Commander 9-754 10-10-1943

Office of American Chief of Air Staff
Military, Management and Distribution
Headquarters, Army Air Force
Washington, D. C.
Procurement Branch

The following enclosures have been approved by this Command
for transmittal in accordance with Procurement Regulation 493
of the Fiscal Director, Army Service Forces, Attention
General Procurement Branch, Special Procurement Services Division
Washington 25, D. C. They are forwarded to your office
under cover of this letter for the Army Air Force
Procurement Branch.

Enclosures Advise statements of Price Earned
for the following periods:

27 January 1943 to 27 February 1943
28 August 1943 to 31 October 1943

Enclosures Advise reports of services rendered
for the period 28 August 1943 to 31 October 1943

Enclosures Advise statements of services earned
for the period 28 August 1943 to 31 October 1943
and for the following periods:

27 January 1943 to 31 July 1943
27 January 1943 to 27 February 1943
28 August 1943 to 31 October 1943

For the Enclosures Enclosed

HQ. AAF

10-10-1943

W. H. D. M. [Signature]
Major General, Procurement Branch

ORIGINAL
(Red)

19 0-19-100

TAB

REPRODUCTION TAB

NAME

Ref: 60-4/22/ack

29 December 1943

Insurance - Contract W 535 40-2102
Jacob Mirer's Engine Company 1095Office of Assistant Chief of Air Staff
Material, Maintenance and Distribution
Headquarters, Army Air Forces
Washington, D. C.

1. The following enclosure has been approved by this Command is for transmittal in accordance with Procurement Regulation 193 Office of the Fiscal Director, Army Service Forces, Attention, Chief, Contract Insurance Branch, Special Financial Services Division, Pentagon, Washington 25, D. C. It is forwarded to your office in accordance with Part 10, Section 4-4-23 of the Army Air Forces Procurement Instructions No. 1:

a. Certificate of Insurance for Policy No. ME-226613 of the Insurance Company of North America, providing evidence of comprehensive coverage on automobiles owned by the Defense Plant Corporation.

2. The insurances provided under Policy No. ME-226613 renewals previously provided under Policy No. ME-161133, expiring December 1943, Policy No. ME-161134, expiring 11 December 1943, Policy No. ME-161135, expiring 18 December 1943, Policy No. 168706, expiring 29 December 1943. These expiring policies were forwarded Chief, Contract Insurance Branch, Special Financial Services Division 23 March 1943.

For the Commanding General:

D. C. SHATLAND
Colonel, Air Corps
Acting Chief,
Procurement Division

PFE

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(Red)

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REPRODUCTION TAB

Ref: SO-6/LOB/pch

ARMY AIR FORCES
HEADQUARTERS OF THE MATERIAL COMMAND

WRIGHT FIELD, DAYTON, OHIO
29 December 1943

Re: Jacobs Aircraft Engine Co. X095
Contract # 535 ac-21072

Office of Assistant Chief of Air Staff
Material, Maintenance and Distribution
Headquarters, Army Air Forces
Washington, D. C.

Attn: Procurement Branch

1. The following enclosures have been approved by this Command
are for transmittal in accordance with Procurement Regulation 193
Office of the Fiscal Director, Army Service Forces, Attention:
f, Contract Insurance Branch, Special Financial Services Division,
Pentagon, Washington 25, D. C. They are forwarded to your office
in accordance with Part 10, Section 4-4-23 of the Army Air Forces
Procurement Instructions No. 4.

a. Insurance Advisors statements of fees earned
for the following periods:

27 January 1942 to 27 February 1943
31 August 1943 to 31 October 1943

b. Insurance Advisors reports of services rendered
for the period 31 August 1943 to 31 October 1943

c. Insurance Carriers statements of premiums earned
for policies numbered NDWC 10000, MIA 10000 and
MIL 10000 for the following periods:

27 January 1942 to 31 July 1942
27 January 1943 to 27 February 1943
31 August 1943 to 31 October 1943

For the Commanding General:

PFE

ORIGINAL
(Red)

D. C. SHATLAND
Colonel, Air Corps
Acting Chief, Procurement Division

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RECEIVED
MAY 17 1944
BY J. M. G. R. J. A. B.

REPRODUCED AT THE NATIONAL ARCHIVES

AB

REPRODUCTION TAB

NAME

HHS:gdp

Jacobs Aircraft Engine Co.,
Contract W 535 ac-21082

Ext. 73433

1st Ind.

AFDMA-5A

Quarters, Army Air Forces, Washington 25, D. C., 4 January 1944

Commanding General, Army Service Forces, Attention: Chief,
Contract Insurance Branch, Special Financial Services
Division, Office of the Fiscal Director.

Forwarded with approval of inclosures to basic communication.

For the Commanding General, Army Air Forces:

V. F. VOLANDT
Colonel, Air Corps
Chief, Procurement Branch
Office, Assistant Chief of Air Staff
Material, Maintenance & Distribution

ORIGINAL
(Red)

Ltr. fr. Hqs. M. C. WF to OACOAS, MM&D, P. B. 29 Dec. 1943

HQ AAF

JAN 4 - 1944

MM&D MAIL SECTION

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AFDMA-5A					

16-50642-1 U. S. GOVERNMENT PRINTING OFFICE

BY P. MCGRATH
DATE 4-12-73
NND 730032
DECLASSIFIED

REPRODUCTION TAB

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NAME

REPRODUCTION TAB

Jacobs Aircraft Engine Co.,
Contract W 575 ad-21032

1st Ind.

AFDMA-5A

Quarters, Army Air Forces, Washington 25, D. C. 4 January 1944

Commanding General, Army Service Forces, Attention: Chief,
Contract Insurance Branch, Special Financial Services
Division, Office of the Fiscal Director.

Forwarded with approval of inclosures to basic communication.

For the Commanding General, Army Air Forces:

J. M. V. LARBY
Colonel, Air Corps
Chief, Procurement Branch
Office, Assistant Chief of Air Staff
Material, Maintenance & Distribution

W/c

2nd Ind.

W 095 (Jacobs AC Engine Co.)

Quarters, Army Service Forces, Washington 25, D. C., 10 January 1944.

Office of Assistant Chief of Air Staff, Material, Maintenance &
Distribution, Headquarters, Army Air Forces, Washington, D. C.
Attention: Procurement Branch.

1. Attention is invited to the fact that Insurance Advisor's
statements of earned fees embrace period from inception date
January 1942 to 31 October 1943 whereas Report of services rendered
is for the period 31 August 1943 to 31 October 1943.

2. Request that advisor's reports for prior period from inception date
contract be forwarded.

For the Fiscal Directors:

HERSE F. HILL,
Colonel, F.D.,
Chief, Contract Insurance Branch,
Special Financial Services Division.

Ms. W/d

ORIGINAL
(2-4)

TAB

NAME

REPRODUCTION TAB

ORIGINAL
(Red)

055 (Jacobs AG Engine Co.)

At:

2nd Ind.

arters, Army Service Forces, Washington 25, D. C. 10 January 1944

Office of Assistant Chief of Air Staff, Materiel, Maintenance &
Distribution, Headquarters, Army Air Forces, Washington, D. C.
Attention: Procurement Branch

Attention is invited to the fact that Insurance Advisor's
statements of earned fees embrace period from inception date
January 1942 to 31 October 1943 whereas Report of services rendered
the period 31 August 1943 to 31 October 1943.

Request that advisors reports for prior period from inception date
be forwarded.

For the Fiscal Director:

HERSE F HILL,
Colonel, F. D.
Chief, Contract Insurance Branch,
Special Financial Services Division

ORIGINAL
(Red)

NAME

REPRODUCTION TAB

ORIGINAL
(Red)

Wright Aircraft Engine Co.,
Contract W 535 ac-21052

3rd Ind.

AFDMA-5A

JPH:gdp

Headquarters, Army Air Forces, Washington 25, D. C., 13 January 1944.

Commanding General, Materiel Command, Wright Field,
Dayton, Ohio, Attention: Insurance Office, Procurement
Division.

Forwarded for compliance with preceding indorsement.

By Command of General ARNOLD:

W. F. VOLANDT
Colonel, Air Corps
Chief, Procurement Branch
Office, Assistant Chief of Air Staff
Materiel, Maintenance & Distribution

4th Ind.

109:sock:MO-6

Materiel Command, Wright Field, Dayton, Ohio. 24 January 1944.

Office of Assistant Chief of Air Staff, Materiel, Maintenance &
Distribution, Headquarters, Army Air Forces, Washington, D. C.
Attention: Procurement Branch.

1. With reference to data requested by 3rd indorsement the
records of this office indicate that the Insurance Advisor's reports
services rendered for the period 27 January 1942 to 31 August
1943 were transmitted to Office of the Assistant Chief of Air Staff,
Materiel, Maintenance and Distribution by basic communication dated
November 1943.

For the Commanding General:

D. C. SKATLAND
Colonel, Air Corps
Chief, Procurement Division

AB

NAME

REPRODUCTION TAB

Ext. 73433

Jacob Aircraft Engine Co.,
Contract V 535 ac-21052

2nd Ind.

AFDMA-5A

JPH:gap

Attn: Army Air Forces, Washington 25, D. C., 13 January 1944.

Commanding General, Materiel Command, Wright Field,
Dayton, Ohio, Attention: Insurance Office, Procurement
Division.

Forwarded for compliance with preceding indorsement.

By command of General ARNOLD:

V. F. VOLANDT
Colonel, Air Corps
Chief, Procurement Branch
Office, Assistant Chief of Air Staff
Materiel, Maintenance & Distribution

Ltr. fr. Hqs. M. C. W. P. to OACUAS, MM&D, P. Br. 29 Dec. 1943
Ltr. fr. Hqs. AAF to CG, ASF, Cont. Ins. Br., 4 Jan. 1944
Ltr. fr. Hqs. ASF, to OACUAS, MM&D, P. Br. 10 Jan. 1944

HQ AAF

JAN 14 1944

MM & D MAIL SECTION

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(Recd)

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16-20343-1 U. S. GOVERNMENT PRINTING OFFICE

DECLASSIFIED
JAN 73 X32
BY J. MCORR
DATE 7-12-93

REPRODUCED AT THE NATIONAL ARCHIVES

REPRODUCTION TAB

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NAME

Jacobs Aircraft Engine Company
Contract W 523 ac-21083

JPH/slb/73433

5th Ind.

AFDMA-5A

Sters, Army Air Forces, Washington 25, D. C., 28 January 1944.

Commanding General, Army Service Forces, Attention: Chief, Contract
Insurance Branch, Special Financial Services Division, Office of the
Local Director.

Attention is invited to preceding indorsement.

Basic communication dated 20 November 1943 was forwarded by
indorsement, from this office, dated 4 December 1943.

For the Commanding General, Army Air Forces:

W. F. VOLANDT
Colonel, Air Corps
Chief, Procurement Branch
Office, Assistant Chief of Air Staff
Material, Maintenance & Distribution

HQ AAF

JAN 28 1944

W M & D MAIL SECTION

ORIGINAL
(Red)

ltr. fr. Hq. AAF Materiel Command to Hq. AAF, OAC/AS, MM&D 12-29-43
M. fr. Hq. AAF, OAC/AS, MM&D to CG, ASF, Off., Fiscal Director 1-4-44
M. fr. Hq. ASF, Off., Fiscal Director to Hq. AAF, OAC/AS, MM&D 1-10-44
M. fr. Hq. AAF, OAC/AS, MM&D to CG, Materiel Command, Ins. Off. 1-13-44
M. fr. Hq. AAF Materiel Command to Hq. AAF, OAC/AS, MM&D 1-24-44

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AFDMA-5A					

16-50543-1 U. S. GOVERNMENT PRINTING OFFICE

16-50543-1 U. S. GOVERNMENT PRINTING OFFICE

RECEIVED
JAN 28 1944
BY J. M. COLE
MAILS DIV. 4-12-44

REPRODUCED AT THE NATIONAL ARCHIVES

AFDRE-5

ORIGINAL
(Red)

APP #21

AFMED-41
3 February 1944
PAJ:fw

Philadelphia Aircraft Engine Co.
Philadelphia, Pa.

Assistant Supervisor
Internal Command
Price Adjustment Section
87 Broad Street
New York 4, N. Y.

1. Inclosed herewith is original of letter dated 8 January 1944, Acting Internal Revenue Agent in Charge, Philadelphia, Pa., to the War Department Price Adjustment Board, together with reply thereto by this office.

2. It is requested that appropriate action be taken by your office to comply with request set forth in the foregoing correspondence upon receipt of Completion Notice by your office.

By Command of General ARNOLD:

Encls
Mr 8 Jan 44 fr Acting
Intern. Rev. Agt. in Chg.
Philadelphia, Pa. and
by reply thereto

GEORGE I. EMERY
Major, Air Corps
Deputy Chief, Price Adjustment Branch
Control Office, M. N. & D.

HQ AAF

FEB 3 - 1944

MAIL SECTION

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ORIGINAL

MAIL SECTION

FEB 3 - 1944

HO. AAF

Price Adjustment Section
Eastern Procurement District

GEORGE I. EMERY
Major, Air Corps
Deputy Chief, Price Adjustment Branch
Control Office, W. M. & D.

Yours very truly,

Your letter of January 8, 1944 addressed to the War Department
Price Adjustment Board has been referred to this office for reply.
Negotiation of the above named corporation for the fiscal
year ended 31 December 1943 has not yet been concluded. This office
has advised the Price Adjustment Section, Eastern Procurement District,
New York, N. Y., to notify your office
of the effecting tax credit immediately the case is concluded.

Re: Jacobs Aircraft Engine Co.
Pottstown, Pa.

Adding Internal Revenue Agent in Charge
Internal Revenue Service
Room 1300, Gambel Building
Philadelphia 7, Pa.

AAE #23A-45
3 February 1944
PAJ:W

ORIGINAL
Ready

RECEIVED AT THE NATIONAL ARCHIVES

W. M. & D. Jacobs Aircraft Engine Co.

ORIGINAL
(Red)

INDEX SHEET

CESSNA
AIRCRAFT COMPANY
Wichita, Kansas

FEB

February 11
of
Cessna's Thirty-Third Year
1944

DLW:BH

SUBJECT: Priority for Two Jacobs LAMB Engines (Army Spec. R-755-9)

To: District Supervisor
Midwestern Procurement District
Municipal Airport
Wichita, Kansas

ATTENTION: Production Division

1. In the execution of contracts for war materials this Company has owned and operated one Model T50 (commercial) twin-engine CESSNA. At the close of production of the UC-78 series CESSNA airplanes for the Army March 17, it is planned to run this Company airplane through the factory for a needed overhaul.

2. In view of the fact that the engines on the above mentioned airplane are on their third overhaul it is desired to install two new engines in the airplane while it is being overhauled with the idea of thus putting the airplane in safe condition for its continued use for the duration of the war. Due to large contracts for parts for both the B29 and the A26 combat airplanes, it is felt in the interest of the war effort desirable to have this airplane available to improve the efficiency of operation of the contractor.

3. Your approval of a priority for the purchase of two Jacobs LAMB engines required for this work is requested.

CESSNA AIRCRAFT COMPANY

/s/ Dwane L. Wallace
Dwane L. Wallace
Presidents/ Boyd S. Ray
Boyd S. Ray
Captain, AAF
APRORIGINAL
(Red)

NAME

ORIGINAL
(Red)

JMS:ech:60-6

21 February 1944

Insurance - Contract W 535 20-21022
Jacobs Aircraft Engine Company X095-Office of Assistant Chief of Air Staff
Material, Maintenance and Distribution
Headquarters, Army Air Forces
Washington 25, D. C.FILED
AAF #7

(Subject) Procurement Branch

1. The following enclosures have been approved by this Com-
mand and are for transmittal in accordance with Procurement Regula-
tion 107 to Office of the Fiscal Director, Army Service Forces, Atten-
tion Chief, Contract Insurance Branch, Special Financial Services
Division, The Pentagon, Washington 25, D. C. They are forwarded to
your office in accordance with Part 10, Section 1-4-23 of the Army
Service Forces Procurement Instructions No. 1.

- a. Four (4) endorsements dated 3 December 1943
- b. Seven (7) endorsements dated 2 February 1944
- c. Two (2) endorsements dated 10 February 1944.

2. The above endorsements are to be attached to Insurance
Policy of North American Policy No. 22-22643, which was submitted
October 1943.

For the Commanding General:

D. C. HIGGINS
Colonel, Air Corps
Chief, Procurement Division

ORIGINAL
(Red)

DMA-4B
TRF:bjh
6767

ORIGINAL
Red

ARMY AIR FORCES

HEADQUARTERS OF THE MATERIEL COMMAND

WRIGHT FIELD, DAYTON, OHIO

Subject: Contract W 535 ac-21052
DA W 535 ac-378

JAN 31 1944

To: Commanding General
Army Air Forces
Washington 25, D. C.

Attention: Assistant Chief of Air Staff,
Materiel, Maintenance and Distribution,
Procurement Branch, Materiel Division.

1. Forwarded herewith is letter to the Under Secretary of War prepared for signature in your office, transmitting two (2) cover sheets and one (1) number of Supplemental Agreement No. 11 to Contract W 535 ac-21052, DA W 535 ac-378, with Jacobs Aircraft Engine Company, Pottstown, Pennsylvania, covering the proposed procurement of additional aircraft engines, Spare Parts and Data, for an additional estimated cost of \$4,636,085.56 plus a fixed fee of 4% thereon (after deducting certain estimated costs applicable thereto as stated in Article 2-D), amounting to \$1,782,662.62. Forwarded recommending approval under the provisions of Paragraph 305.2, Procurement Regulations No. 3, the First War Powers Act, 1941, and Executive Order No. 9001 dated 27 December 1941.

2. An extra copy of the Supplemental Agreement marked "Advance Copy" is forwarded herewith for the files of your office.

For the Commanding General:

D. C. Swatland

D. C. SWATLAND,
Colonel, Air Corps,
Chief, Procurement Division

Incls.

1. Ltr to USW
w/enclosures as listed
2. Adv. Cy. Supp. Agr. #11

ORIGINAL
(Red)

452.13
Engine

AFDMA-5A

NB: gdp

73433

(Written 2-3-44)

FEB 17 1944

ORIGINAL
(Red)

AAF

TEXT: Contract W 535 ac-21052
DA W 535 ac-378

1020

Under Secretary of War
Attention: Colonel Park Holland
5D 725

FILED
AAF 57

095

1. Forwarded herewith recommending approval under the provisions of the First War Powers Act, 1941, and Executive Order No. 9001 dated November 27, 1941, are two (2) cover sheets and one (1) number of Supply Agreement No. 11 to Contract W 535 ac-21052, DA W 535 ac-378, with Jacobs Aircraft Engine Company, Pottstown, Pennsylvania, covering the proposed procurement of additional aircraft engines, spare parts and data, at an additional estimated cost of \$44,636,085.56, plus a fixed fee of \$1,782,662.62 thereon (after deducting certain estimated costs applicable thereto as stated in Article 2-D) amounting to \$1,782,662.62. This proposed supply is forwarded for approval in accordance with Paragraph 305.2 of Government Regulations No. 3.

2. The following information is submitted in connection with this AFDMA-5A proposed procurement:

a. Engines and spare parts will be manufactured at Pottstown, Pennsylvania.

b. Material:

- Item 12 - 4,729 AAF Model R-985-A1-1 Engines
- Item 13 - Spare Parts for Item 12 (33.3% Money Value of 4,729 engines less cost of carburetor, 2 magnets and 18 spark plugs.)
- Item 14 - 485 AAF Model R-985-A1-6 Engines
- Item 15 - Spare Parts for Item 14 (33.3% Money Value of 485 engines less cost of carburetor, 2 magnets and 18 spark plugs.)
- Item 16 - 36 AAF Model R-985-A1-6B Engines
- Item 17 - Data

TO MAIL & SEC-200M
Date
EXECUTIVE
ADM. SERV. DIV.
SEC. DIV.
CIVILIAN PERS.
INSPECTION
INTELLIGENCE
LEGAL
MATERIAL
MEDICAL
MILITARY PERS.
PLANS
TRAIN. & OPER.
W. COM. AERO. CO.

ORIGINAL

Att: Col. Holland
No. 2

(Written 2-3-44)

ORIGINAL
Ref

- Unit Estimated Cost: (Fixed Fee not included)
- Item 12 - For 2-35-41-1 Engines- 16,465.89
 - Item 13 - Spare Parts for Item 12- (Total
not to exceed- 9,493,280.85
 - Item 14 - For 2-35-41-5 Engines- 6,832.13
 - Item 15 - Spare Parts for Item 14- (Total
not to exceed- 1,006,971.17
 - Item 16 - For 2-35-41-6 Engines- 6,832.13
 - Item 17 - Data (Included under Items 12, 14, and 15.)

Total Value Supp. Agr. No. 11
Total Estimated Costs- \$14,636,005.56
Less Fixed Fee thereon (after
deducting certain estimated
costs as stated in Article
2-D)- 1,782,662.62

Delivery:	Quantity	Time	
Item 12 -	325 engines	July	1944
	570 additional	August	1944
	570 additional	September	1944
	493 additional	October	1944
	440 additional	November	1944
	390 additional	December	1944
	390 additional	January	1945
	390 additional	February	1945
	390 additional	March	1945
	390 additional	April	1945
	324 remaining	May	1945
Item 14 -	50 engines	November	1943
	75 additional	December	1943
	80 additional	January	1944
	80 additional	February	1944
	80 additional	March	1944
	70 additional	April	1944
	50 remaining	May	1944
Item 16 -	18 engines	November	1943
	18 remaining	December	1943

Items 13 and 15 shall be delivered in accordance with provisions of Appendix I.

Jacobs Aircraft Engine Company has been building this type and Whitney (General) Engine for approximately two years.

AFDMA-5A

TO JAC. C. 85-408 208M
Date
EXECUTIVE
ADMINISTRATIVE
D & G
CIVILIAN PERS.
FISCAL
INSPECTION
INTELLIGENCE
LEGAL
MATERIAL
PERSONNEL
MILITARY PERS.
PLANS
TRAIN & OPER.
W. COM. ASST. CO.

ORIGINAL
(10-1)

AFDMA-5A

NB:gdp

734

ORIGINAL
(Red)

DMA
RP:

Att: Col. Holland

to USW
Page No. 3

g. No additional facilities will be required as a result of this proposed procurement.

h. Negotiations were with a single facility. The Contractor, as a licensee to the Pratt & Whitney Division of United Aircraft Corporation, was designated as the source for this proposed procurement by the Joint Aircraft Committee, and due to the Contractor's experience in the manufacture of this model engine, no competitive bids were sought.

i. This supplement was negotiated in accordance with Contract Placement Policies set forth in PB-2, Section II. This procurement is being placed at this time to enable the Contractor to plan his entire production at a sufficiently early date to obtain necessary allocation of material and employment of his labor in a more orderly and continuous manner, thus, insuring a maximum use of facilities and greater efficiency. Since the Contractor has manufactured this type engine for approximately two years, placement of this procurement will require a minimum of manpower hours and minimum quantity of materials to construct the articles being procured. Production schedules require no additional labor in any critical labor shortage area, inasmuch as no increased production rate is contemplated. Contractor's efficiency, built up over a period of two years has resulted in the lowering of costs advantageous to the Government. The requirements of PB-2, concerning the conservation of special abilities and the avoidance of new facilities have been followed in the placement of this procurement. Contractor is not on the list of debarred bidders.

j. This proposed procurement is to be a supplement to an already existing contract which is on the basis of CTFP. All Pratt & Whitney engines manufactured at Jacobs Aircraft Company Plant No. 2 are on CTFP contracts. This is the Supplemental Agreement contemplated by Letter Contract Special Form dated 16 June 1943, and supersedes said letter contract provided by Eleventh Recital.

k. Ninth Recital amends the Supplies Contract to provide for addition of Article 43A covering Renegotiation Pursuant to Section 403 of the War Relocation National Defense Appropriation Act, 1942, as amended.

l. Tenth Recital amends the Supplies Contract to provide for addition of Article 45 covering Provisions Reference Payment of Royalties.

All terms and conditions of the Supplies Contract will continue in force and effect except as modified in subject supplement as provided by Twelfth Recital thereof.

The following is a comparison of unit prices and amount of fee paid Jacobs Aircraft Engine Company for B-985-AK-1 engines:

	Contract	Quantity	Unit Price less fee
1941 (AN1)	W535 ac-21052	3525	7,047.95 -
1942 (AN1)	Supp. #2	1000	7,398.68 -
1942 (AN1)	Supp. #5	2522	6,755.85 -
1942 (AN1)	Supp. #5	2687	6,755.85 -

ORIGINAL
(Red)

AFDMA-5A

1943 JUN 16 10 08 AM

EX-111

EXECUTIVE CONTRACT

ADMINISTRATIVE

CIVILIAN PERSONNEL

INSPECTION

INTELLIGENCE

LEGAL

MATERIAL

MEDICAL

WARRANTY PERSONNEL

BLANK

TRAIN & OPER.

W. COM. ALBUQU.

AFDMA-5A
NB:gap (Red)

(Written 2-3-44)

to US
No. 4

Att: Col. Holland

unit cost of \$6,465.89 quoted for the Model R-985-AN-1 engines on subject supplement is \$289.96 less than the lowest previous procurement of this model engine. This reduction in unit cost is due to increased production and operating efficiency. The unit cost of \$6,832.13 quoted for Model R-985-AN-6 engines on subject supplement is \$366.24 more than that quoted for the Model R-985-AN-1 model. This difference in cost is due to tooling expenses incurred on the model -AN-6 engine, being a new model engine, which were not incurred on the model -AN-1 engines; also to certain mechanical differences which increase the cost of the -AN-6 model. Information pertaining to the actual current cost and the estimated cost which this procurement is based is submitted on Page 5 of the Contractor's Proposal Form 43-1. Prices set forth in the Supplement have been approved by the Analysis Branch, AAF, Materiel Command, and are considered fair and reasonable. It is proposed that a portion of this procurement equal to approximately 12% of the proposed total price of the R-985-AN-1 engines and approximately 11% of the R-985-AN-6 engines will be subcontracted to subcontractors, part of whose profit or loss will be consolidated with that of the prime contractor. It is impossible at this time to submit price comparisons of the major components which are being subcontracted for the reason the contractor has been unable to obtain sufficiently firm prices to state how these prices compare with previous ones.

The award does not include spare parts as such or special packaging. Although a provision is made for spare parts, it is based on a percentage of the cost of the engines and pricing of the spare parts on a basis, and it will not be possible until such time as the Contractor submits his exhibit as called for under the terms of subject supplement to establish spare parts pricing. This is the usual and customary method of pricing engine spare parts.

Renegotiations were effected with the Jacobs Aircraft Corporation for the year ending 31 December 1942 as evidenced by agreement dated 17 September 1943 between that Corporation and the United States of America. The net sum of \$999,430. paid during 1942 for Pratt & Whitney engines in Plant No. 2 were considered in the renegotiations which remained fair and reasonable. For this reason they were not included under the heading of "Renegotiable Business" in the statement of operations submitted to the renegotiation agreement.

The Contractor's letters of August 6 and August 7, 1943, and the Contractor's Proposal Form 43-1, contain full statement concerning patents and patent licenses and rights, and are forwarded for your reference.

The subject proposed procurement is in the interest of the War Relocation Authority and will be charged to Procurement Programs as set forth below:

AFDMA-5A
DATE: 1944
By: _____
EXECUTIVE
ADMINISTRATIVE
OPERATIONS
INSPECTION
INTELLIGENCE
TRAINING
MATERIAL
MILITARY AFFAIRS
PLANS
TRAIN & OPER.
W. COM. ALBUQU.

ORIGINAL

ORIGINAL
(Red)

War to USM Att: Col. Holland
 Box No. 5

(Written 2-3-44)

29 B-985-AN-1 Engines

1000	Installation for 500 UC-45B Airplanes-"I"	PROGRAM FY-1943-Project	110
89	Spare engines " " " " " " " " " " " "	PROGRAM FY-1943-Project	121
1400	Installation for 700 UC-45 Airplanes-"J"	PROGRAM FY-1944-Project	110
560	Spare engines " " " " " " " " " " " "	PROGRAM FY-1944-Project	121
800	Installation for 400 AT-7 Airplanes "J"	PROGRAM FY-1944-Project	110
240	Spare engines " " " " " " " " " " " "	PROGRAM FY-1944-Project	121
100	Installation for 100 Navy GB-2(C-15) Beech Airplanes	Navy Order NAer 10000-81	
50	Spare engines " " " " " " " " " " " "	Navy Order NAer 10000-81	
400	Installation for 100 Navy SNB-2(AT-7)Beech Airplanes	Navy Order NAer 10000-82	
60	Spare engines " " " " " " " " " " " "	Navy Order NAer 10000-82	
150	Installation for 150 Navy SNV-2(BT-13B)Vultee Airplanes	Navy Order NAer 10000-84	
45	Spare engines " " " " " " " " " " " "	Navy Order NAer 10000-84	
68	Installation for Navy Model EB-2(UC-43)Airplanes	Navy Order NAer 20000-24 (Formerly NAer 10000-142)	
27	Spare engines " " " " " " " " " " " "	" " "	

A-9B-AK-6 Engines

200	Installation for Model NE Airplanes	Navy Funds
60	Spare engines " " " "	Navy Funds
150	Installation for Navy Model GH-2 Airplanes	Navy Order NAer 10000-155
75	Spare engines " " " " "	Navy Order NAer 10000-155

205-AH-6B Engines

Spare engines for Oxford Model "V" Airplanes-Mary Order #1000-145
Defense Aid (8/3/46-6/1/47)

No provisions are made in subject supplement for Advance Payments.

For the Commanding General, Army Air Forces:

O. P. ECHOLS
Maj. General, U. S. A.
Chief of Air Staff, M.M. & D.

10.11.1

War Sheets

Proposal Form 43-1 7/26/43

Proposal Form 43-1 7/27/43

18 1tr 8/6/43

1tr 8/7/43

ARMY-6A
TO SAIL & 196
Asst 10000-175
B-2 (1-6)
Payments.
R & C
CIVILIAN AFFAIRS
FINANCE
INSPECTION
INTELLIGENCE
LEGAL
MATERIAL
~~MEDICAL~~
MILITARY PERSONNEL
PLANS
TRAIN & OPER.
W. COM. ALNO ED.

ORIGINAL

DMA-4B

IRP:bjh

6767

- 161

1st Ind.

Force Procurement Liaison Branch, Purchases Div., 17 Feb. 1944.

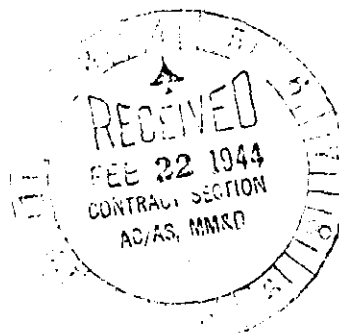
The Commanding General, IAF, Office, Assistant Chief of Air Staff, M. M. & D.

1. Attention is invited to the attached one (1) number and two cover sheets of Supplemental Agreement No. 11 to W 535 ac-21052, 535 ac-378 with Jacobs Aircraft Engine Company, Pottstown, Pennsylvania, approved by Special Representative of the Under Secretary at this date.

By direction of the Under Secretary of War:

PARK HOLLAND,
Colonel, Air Corps,
Chief of Branch.

cc: N/c



ORIGINAL
(Red)

DMA-4B
RP:bjh
ORIGINAL
(Red)

HAS:dao
Ex. 73433

Basltr. fr. HQ, AAF O, AC/AS MM&D PROC. BR. to USW 2-12-44.
1std. fr. AFPLE, PD to C.G. ASF O, AC/AS MM&D 2-17-44.

Contract W 535 ac-21052
DA W 535 ac-378

2nd Ind.

AFDWA-5A-1/1

Quarters, Army Air Forces, Washington 25, D. C., 23 February 1944.
Commanding General, Materiel Command, Wright Field, Dayton, Ohio.
Position: Chief, Procurement Division.

1. Returned herewith as approved are one number and two cover
of Supplemental Agreement No. 11 to subject contract with Jacobs
Engine Company.

By command of General ARNOLD:

HQ. AAF

FEB 2 1944

MAIL SECTION

/c

W. F. VOLANDT
Colonel, Air Corps
Chief, Procurement Branch
Office, Assistant Chief of Air Staff
Materiel, Maintenance and Distribution

A-5A-1/P		3	4	5	6
[Signature]					
[Signature]					
[Signature]					
[Signature]					
[Signature]					
[Signature]					
[Signature]					
[Signature]					
[Signature]					

ORIGINAL
(Red)

JBS:MLS:50-6

1095 15 February 1944

Insurance - Jacobs Aircraft Engine Company,
Contracts W 535 as 21052 and DA W 535 as 578

X161
Office of the Assistant Chief of Air Staff,
Materiel, Maintenance and Distribution,
Headquarters, Army Air Forces,
Washington 25, D.C.

ATT: Procurement Branch

1. The following inclosures have been approved
this Command and are for transmittal in accordance
with Procurement Regulation 493 to the Office of the
Deputy Director, Army Service Forces, Attention: Chief,
Contract Insurance Branch, Special Financial Services
Division, The Pentagon, Washington 25, D.C. They are
forwarded to your office in accordance with Part 10,
Section 404-23 of the Army Air Forces Procurement In-
structions No. 4:

a. Extension of policy period Endorsement
No. 5 to be attached to Comprehensive General Liability
Policy HDL-10000.

b. Endorsement No. 6 to be attached to
Comprehensive General Liability Policy HDL 10000.

c. Extension of policy period Endorsement
No. 3 to be attached to Comprehensive Automobile Policy
HDA 10000.

d. Endorsement No. 4 to be attached to
Comprehensive Automobile Liability Policy HDA 100000.

e. Endorsement No. 13 to be attached to
Workmen's Compensation Policy HDWC 100000.

2. The policies to which these endorsements are
attached were forwarded 27 July 1942.

3. It has been requested that the Contractor submit
for extension of policy period endorsement for attach-
ment to Workmen's Compensation Policy HDWC 10000. Copies

(11019) Inc

BY J. M. G. J. 3705W J. 48
MAR 5, 1944
73/232
RECEIVED

ORIGINAL
(Red)

James - Jacobs Aircraft Engine Co.,
Lieut. of the Assistant Chief of Air Staff,
February 1944

This endorsement will be forwarded as soon as they
have been received by this Command.

For the Commanding General:

D. C. SWATLAND,
Colonel, Air Corps,
Chief, Procurement Division.

Encs. -5
As listed above.

ORIGINAL
(Red)

-2-

DECLASSIFIED
NND 730032
BY P. MCGEE
MAR 5, DATE 4-12-93

[illegible]

ORIGINAL
(Red)

RECEIVED MAIL SECTION

FEB 19 1974

HOVA

REF ID: A66002, HQ, WF, DO 15 February 1944 to AC/AS, MEMD.

M. J. VOLAND
 Colonel, Air Corps
 Chief, Procurement Branch
 Office, Assistant Chief of Air Staff
 Materiel, Maintenance & Distribution

For the Commanding General, Army Air Forces:

Forwarded with approval of Inclusion to Base Communities.

Commanding General, Army Service Forces. Attention: Chief, Contract
Finance Branch, Special Financial Services Division, Office of the
Director.

Wentworth, Army Air Forces, Washington 25, D. C., 18 February 1944.

44-38861-5A

• PQR 345

Insurance - Jacobs Aircraft Engine Company
Contracts # 535 no-21052 and DA # 535 no-278

SECRET
058584H

10-10-1964

ORIGINAL

1st Ind.

AVRILA-24-1/X

HAS:gdp

73453

Commanding General, Army Service Forces, Attention:
Chief, Contract Insurance Branch, Special Financial
Services Division, Office of the Fiscal Director.

15. In connection with paragraph 2 of basic communication, mail was transmitted to your office by 1st Intercoment dated 4 January same subject.

W. F. VOLLMER

Colonel, Air Corps

Chief, Procurement Branch

Office, Assistant Chief of Air Staff

Material, Maintenance & Distribution

Re. fr. Hqs. M. C. WF to OACQAS, MONAD, P. Br. 21 Feb. 1944

NO 77

FEB 25 1944

U S D MAIL SECTION

[illegible]

15-00000-2, U. S. GOVERNMENT PRINTING OFFICE

DECLASSIFIED
NND 730032
BY J. MOORE
NARS, Date 4-12-93

REPRODUCED AT THE NATIONAL ARCHIVES

ADD #1

ORIGINAL
(Red)

Capt. E.L. Maas **AFMSD-4F**
ELM/ht/4420

16 March 1944

Jacobs Aircraft Engine Company
Pottstown, Pennsylvania

War Department
Price Adjustment Board
The Pentagon
Room 3D-638

Attention: Lieut. Colonel G. B. Coit

1. On 2 October 1943 this office transmitted to the War Department Price Adjustment Board for approval copies of the Report and Agreement with the subject contractor. In a letter dated 13 October 1943 the Board returned the case indicating that in its opinion the proposed settlement failed entirely to eliminate excessive profits.

2. Subsequently, representatives of this office and of the Eastern Procurement District met in Washington with representatives of the Board in order to discuss the circumstances and conditions surrounding this contractor. However, no conclusion was reached.

3. On 22 November 1943 there were submitted to the Board copies of the report, preface by an Addendum dated 18 November 1943 and the Agreement (in which the proposed recovery remained unchanged.) In the Addendum the Eastern Procurement District suggested that if the Board continued to believe that a further recovery was proper, the case should then be considered an impasse. On 12 January 1944 the Board returned the case, indicating that it had again considered the proposed settlement and had concluded that the refund recommended was inadequate.

4. Then, in January 1944 representatives of this office and the Eastern Procurement District met in New York with representatives of the Board. The meeting was concluded with the understanding that any conclusion of the Board could be deferred until Colonel Coit visited the contractor's plant with Colonel Egan. This visit to the plant was made late in February.

5. It is understood that following Colonel Coit's visit to the contractor's plant, the Board further considered the proposed settlement; however, to date this office has received no advice concerning the conclusions reached.

PFE

ORIGINAL
(Red)

1	AFMSD-4F	2		3		4		5		6	

Case I Emery
ht
GFE

ORIGINAL
(Red)

Wright Engine Company

Under the circumstances, it is requested that this office be
advised of the status of this case.

Very respectfully,
The Commanding General, Army Air Forces:

GEORGE I. EMERY
Major, Air Corps
Deputy Chief, Price Adjustment Branch
Control Office, M. M. & D.

ORIGINAL
(Red)

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ORIGINAL
(Red)

25

Jacobs Aircraft Engine Company
Pottstown, Pennsylvania

Commanding General
AAF Materiel Command
Price Adjustment Office
Wright Field
Dayton, Ohio

Enclosed copy of a letter to the War Department Price
Adjustment Board dated 10 March 1944 is sent in answer to the request
for information as to the present status
of the same.

Command of General ARNOLD:

On 20 Mar 1944 fr Price
Adjustment Office,
M. M. & D.

GEORGE I. EMERY
Major, Air Corps
Deputy Chief, Price Adjustment Branch
Control Office, M. M. & D.

HQ. AAF

MAR 10 1944

M M & D MAIL SECTION

ORIGINAL
(Red)

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GEORGE I. EMERY					
iv					

ORIGINAL
(Red)

AAF #20

25

AFMID-47
27 March 1944
ELW:fw

Jacobs Aircraft Engine Company
Pottstown, Pennsylvania.

Commanding General
AAF Materiel Command
Price Adjustment Office
Wright Field
Dayton, Ohio

1. Inclosed are copies of the War Department Price Adjustment Board's letter of 24 March 1944 which indicates that the Board continues to believe that the proposed settlement with the subject Contractor falls entirely to eliminate excessive profits. It is suggested that approximately \$500,000 additional recovery would appear to be necessary based upon the facts which have been disclosed.

2. A copy of the Board's letter should be transmitted to the Eastern Procurement District for its information and compliance.

By Command of General ARNOLD:

Inclosures

Cys (S) Ltr 24 Mar 44 fr WD
Price Adjustment Board

GEORGE T. EMERY
Major, Air Corps
Deputy Chief, Price Adjustment Branch
Control Office, M. W. & D.

HQ AAF

MAR 27 1944

W & D MAIL SECTION

ORIGINAL
(Red)

1 AFMID-47	2	3	4	5	6
10.1. EMERY					

ORIGINAL
(Red)

WASHINGTON, D. C. 30 March 1944

Attn: Technical Executive

1. Forwarded herewith for appropriate action are the original and eight copies of Navy Department, Bureau of Aeronautics Crder Number NAer 20000-194, covering overhaul of Navy operated model R-755-9 aircraft engines, in the total estimated amount of \$143,400.00.

By command of General ARNOLD:

CC-0 Volume 8

W. F. VOLANDT
Colonel, Air Corps
Chief, Procurement Branch
Office, Assistant Chief of Air Staff
Materiel, Maintenance & Distribution

Incl:
NAer 20000-194 -
orig w/8 copies.

[illegible]

1920

mkis

AFMA-5A-2/1

ACS:JG:71136

ORIGINAL

30 March 1944

Navy Order NAer 20000-194.

AAF #23

Commanding General, Materiel Command
Wright Field, Dayton, Ohio

Attn: Technical Executive

1. Forwarded herewith for appropriate action are the original and eight copies of Navy Department, Bureau of Aeronautics Order Number NAer 20000-194, covering overhaul of Navy operated model E-755-9 aircraft engines, in the total estimated amount of \$143,400.00.

By command of General ARNOLD:

V. F. VOLUNT
Colonel, Air Corps
Chief, Procurement Branch
Office, Assistant Chief of Air Staff
Materiel, Maintenance & Distribution

Encl:
NAer 20000-194 -
orig w/8 copies.

HQ AAF

MAR 30 1944

MAIL SECTION

OL	1	2	3	4	5	6
	AFMA-5A					

8019 misc

The following invoices have been approved by the General and are for equipment in accordance with the following regulations 495 of the General's Office, Special Forces, Attention: Chief, General's Office, Special Forces, D. C. They are forwarded to you for approval with the request that you advise the General's Office of the results of your approval.

Attention: General's Office, Washington 25, D. C. Headquarters, Army Air Force Inspector, Inspection and Distribution Office of Assistant Chief of Air Staff

General's Office - Contract # 55-00-10000
General's Office - Contract # 55-00-10000

4 April 1944
55-0100000

AAV #24

RECEIVED

ORIGINAL (Red)

ORIGINAL (Red)

ORIGINAL (Red)

For the Commanding General:

It is requested that this document be placed at the disposal of the following:

1. Inclosed find copy of letter received from this Command dated 30 March 1944 for transmittal to, and appropriate action by, the Office of the Chief of the Army Air Force, Army Service Forces, Assistant Chief of the Army Air Force, Special Plans and Special Projects, Washington 25, D. C.

Attention: Procurement Branch
 Washington 25, D. C.
 Headquarters, Army Air Force
 Materiel, Maintenance and Distribution
 Office of Assistant Chief of Air Staff

Insurance - Contract N 555 40-21052
 Jacob Aircraft Engine Company

5 April 1944

NO-617131000

AAF #24

ORIGINAL (Red)

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Copy

NAME

PAGE NUMBERS TO BE COPIED

LOCAL PAGES

100-4575

on 55, 2-6-64 8-4-64 8-11-64.

These, although they are
service records, contain

of reference to local communication.

These are:

100-4575

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TOTAL PAGES

100-51-1/2
HIS:46
EX: 13433

TO: The Commanding General, Army Air Forces, Washington, D. C.
FROM: The Special Assistant to the Chief of Staff, Army Air Forces, Washington, D. C.
SUBJECT: [Illegible]
RE: [Illegible]
1. [Illegible] for appropriate action. In this connection it is suggested that this office be advised of action taken.

For the Commanding General, Army Air Forces:

W. B. [Illegible]
[Illegible]
[Illegible]
[Illegible]
[Illegible]

PEE

AFAMC-80-1(7)

ORIGINAL
(Red)

ARMY AIR FORCES

HEADQUARTERS OF THE MATERIEL COMMAND

WRIGHT FIELD, DAYTON, OHIO

Subject: Contract W 535 ac-21052,
DA W 535 ac-378.

APR 10 1944

1781

To: Commanding General,
Army Air Forces,
Washington, 25, D. C.
Attention: Assistant Chief of Air Staff,
Materiel, Maintenance and Distribution,
Procurement Branch, Materiel Division.

1. Herewith letter to the Under Secretary of War prepared for signature in your office, transmitting one number and two cover sheets of Supplemental Agreement No. 17 to Contract W 535 ac-21052, DA W 535 ac-378, with Jacobs Aircraft Engine Company, Pottstown, Pennsylvania, covering Reduction in Estimated Costs and Fixed Fees and Additional Procurement of Aircraft Engine Spare Parts, resulting in a net increase in estimated cost of \$5,695,619.99, plus a net increase in fixed fee amounting to \$169,170.34, forwarded for approval. An extra copy of the supplemental agreement marked "Advance Copy" is forwarded for your files.

For the Commanding General:



D. C. SLATLAND,
Colonel, Air Corps,
Chief, Procurement Division.

2 Incls.

1. Ltr. to Under Secretary of War
/w 3 encls. as listed therein.
2. "Advance Copy" of Suppl. Agree. #17
to Contract W 535 ac-21052, DA-378.

ORIGINAL
(Red)

RECEIVED
MAY 10 1944
OFFICE OF THE
CHIEF OF STAFF
ARMY AIR FORCES
HEADQUARTERS
WRIGHT FIELD
DAYTON, OHIO

AAF #28

ORIGINAL
(Red)

TOTAL PAGES

INDEX SHEET

FILE : 452.13 ENGINE PARTS.

:
:
:
:Date
4-14-44.

SYNOPSIS

From: HEADQUARTERS, FAIRFIELD ASC, OFFICE, CHIEF SUPPLY DIVISION,
PATTERSON FIELD, FAIRFIELD, OHIO.

To: CG, ASC, PATTERSON FIELD, OHIO.

SUBJECT: APPROVAL OF SERVICES FOR ENGINEER, ON PURCHASE ORDER
(33-053) 44-10712-FAD, PURCHASE ORDER (33-052) 44-6912-FAD.

4th Ind. 5-24-44.

Original filed under No. 400.138 MISC.

ORIGINAL
(Red)

HAS:vmh
Ext. 73433

LSC/rim

ORIGINAL
(Red)

A&F #8

SUBJECT: Contract W 535 ac-40215. 28 February 1944

TO: Under Secretary of War.

Attention: Colonel Park Holland
Room 5D-725

FILED
AAF #7

1. Herewith three numbers of Change Order No. 8 to Contract W 535 ac-40215 with Jacobs Aircraft Engine Company, Pottstown, Pennsylvania, covering the attachment to the contract of Addenda Nos. 10 and 11 to Exhibit "A" of additional spare parts, at a total cost of \$6,683,954.30, forwarded recommending approval under the provisions of Paragraph 305.2, Procurement Regulations No. 3, the First War Powers Act, 1941, and Executive Order No. 9001 dated 27 December 1941.

2. The following information is submitted in connection with this proposed change order:

- a. Material: Spare Parts for Model R-755-9 aircraft engines
- b. Total Additional Cost: \$6,683,954.30
- c. Delivery in accordance with instructions set forth in Addenda Nos. 10 and 11 to Exhibit "B" attached to the change order.

3. The spare parts under Addendum No. 10 represent maintenance and overhaul parts for 6600 Model R-755-9 aircraft engines in the service, including shortages and pick-up of material on prior contracts as per consumption records, and the parts on Addendum No. 11 represent second year maintenance and overhaul parts for the engines. A number of these items have been increased to cover shortages in first year requirements.

4. The prices have been reviewed and approved by the Price Analysis Branch, AAF, Materiel Command, and are considered fair and reasonable. A copy of a memorandum dated 28 January 1944 from the Chief, Price Analysis Branch to Chief, Aircraft Procurement Branch, AAF, Materiel Command, relating to the analysis of the negotiation.

To Mail & Record Room
Date
EXECUTIVE
ADMINISTRATIVE
S & G
CIVILIAN PERS.
FINANCIAL
INSPECTION
INTELLIGENCE
LEGAL
MATERIEL
MEDICAL
MILITARY PERS.
PLANS
TRAIN. & OPER.
W. COM. AERO BD.

ORIGINAL
(Red)

AFDM-5A-1/1

HAS:vmh
Ext. 73433

Ltr. to Under Secretary of War,
Page No. 2.

5010-1-102

is forwarded herewith for ready reference.

5. A copy of the prime contract and prior change orders and supplements thereto, is forwarded herewith for ready reference.

For the Commanding General, Army Air Forces:

W. F. VOLANDT
Colonel, Air Corps
Chief, Procurement Branch
Office, Assistant Chief of Air Staff
Material, Maintenance & Distribution

3 Incls.

1. Change Order #8 to Contract " 535
ao-40215 (3 numbers).
2. Cy memo dated 28 Jan 1944
3. Cy prime Contract " 535 ao-40215 /w
change orders & supplements thereto.

A-1/AS
A-2/AS
Intel. S.
A-3/AS
A-4/AS
Plans/AS
Insp AS
A. Insp
Branch
Gr. Sec
Base S.
War OAS
Ind. Tr
Tech. S.
Comm.
Weather
Traffic
Photo. RMC
Tech. Insp.
Pub. Rel.
Dr. Pers.
Mil. Pers.
Civ. Pers.
Surge.
J. Adv.
Budget
Fiscal
Signal. Com.
Adj. Gen.
Cig. Pl.
Stat. Pl.
Leg. Pl.
A. S. C.
F. C.

ORIGINAL
(Red)

PPDF - 161

1st Ind.

Air Force Procurement Liaison Branch, Purchases Div., 4 March 1944.
 To: The Commanding General, AAF, Office, Assistant Chief of Air
 Staff, M. H. & D.

1. Attention is invited to the attached three (3) numbers of
 Change Order No. 8 to Contract W 535 ac-40215 with Jacobs Aircraft
 Engine Company, Pottstown, Pennsylvania, approved by Special Repre-
 sentative of the Under Secretary of War this date.

By direction of the Under Secretary of War:

PARK HOLLAND,
 Colonel, Air Corps,
 Chief of Branch.

3 Incls: N/c

ORIGINAL
(Red)

IIAS:dao
Ex. 73433.

ORIGINAL
Red

Basic ltr. fr. HQ, AAF O,AC/AS MM&D to USW 2-28-44.
1st Ind. fr. AFPLB, PD to C.G. AAF O,AC/AS MM&D 3-4-44.

Subject: Contract W 535 ac-40215

2nd Ind.

AFDMA-5A-1/1

Headquarters, Army Air Forces, Washington 25, D. C., 6 March 1944.

To: Commanding General, Materiel Command, Wright Field, Dayton, Ohio.
Attention: Chief, Procurement Division.

1. Returned herewith as approved are three (3) numbers of
Change Order No. 8 to subject contract with Jacobs Aircraft Engine
Company.

By command of General ARNOLD:

W. F. VOLANDT
Colonel, Air Corps
Chief, Procurement Branch
Office, Assistant Chief of Air Staff
Materiel, Maintenance and Distribution

Incls:
N/c

ORIGINAL
(Red)

OFFICE SYMBOL	1 AFDMA-5A-1/P	3	4	5	6
SIGNATURE OF OFFICIAL OFFICER	<i>[Signature]</i>				
INTERNAL OFFICE COORDINATION	<i>[Signature]</i>				

AFAMC-EO-4(7)

ORIGINAL
(Red)ARMY AIR FORCES
HEADQUARTERS OF THE MATERIEL COMMAND

WRIGHT FIELD, DAYTON, OHIO

Subject: Contract W 535 ac-40215.

FEB 24 1944

To: Commanding General,
Army Air Forces,
Washington, 25, D. C.
Attention: Assistant Chief of Air Staff,
Materiel, Maintenance and Distribution,
Procurement Branch, Materiel Division.

4725

1. Herewith letter to the Under Secretary of War prepared for signature in your office, transmitting three numbers of Change Order No. 8 to Contract W 535 ac-40215 with Jacobs Aircraft Engine Company, Pottstown, Pennsylvania, covering the attachment to the contract of Addenda Nos. 10 and 11 to Exhibit "A" of additional spare parts, at a total cost of \$6,683,954.30, for approval. An extra copy of the change order marked "Advance Copy" is forwarded for your files.

For the Commanding General:

D. C. Swatland
D. C. SWATLAND,
Colonel, Air Corps,
Chief, Procurement Division.

2 Incls.

1. Ltr. to Under Secretary of War
/w 3 encls. as listed therein.
2. "Advance Copy" of Change Order
No. 8 to Contract W 535 ac-40215.

ORIGINAL
(Red)

70-5P

ORIGINAL
(Red)

NWS:mlb

11 April 1944

Subject: Allocation of Two (2)
R-755-9 Engines

FILED
AAF #7

To: Commanding General
Army Air Forces
Washington 25, D.C.

Att: Asst. C/AS, MW&D
Production Branch

1. A copy of a letter from Cessna Aircraft Company to the Midwestern District dated 11 February 1944, DLW:BN and a copy of a letter from the Midwestern District to the Army Air Forces, Materiel Command dated 12 February 1944 are inclosed for your information.

2. The attached letters express Cessna's need for two (2) Jacobs' R-755-9 engines for their Company-owned UC-78 and the Army Air Forces, Materiel Command concurs in Cessna's need for these engines.

3. R-755-9 engines shipped for Cessna's UC-78 Airplane Program are in excess of aircraft requirements and in excess of spare requirements as a result of the latest revision of Case 1850 which reduced spare engine requirements from 50% to 25% for utility cargo airplanes.

4. It is intended that the engines mentioned in paragraph 3 should be utilized in meeting Cessna's requirements for two (2) R-755-9 engines for their Company-owned UC-78.

5. It is requested that MW&D forward this request to the Joint Aircraft Committee for allocation of two (2) R-755-9 engines to Cessna.

For the Commanding General:

Incl.

Incl. 1: Cessna's ltr to MW Dist.
dtd 11 Feb. 1944

Incl. 2: MW Dist. ltr. to AAF Mat'l
Command dtd. 12 Feb. 1944

ORIGINAL
(Red)

45-2,13 Jacobs' Engines

10001 Insurance - Contract 17-100
 Jacobs Contract 10001

Form 975 (Standard Aircraft Engine) 2nd Ed.

War Department, Headquarters, A.E.F., Washington 25, D.C. 13 April 1944

The Assistant Chief of Air Staff, Material, Maintenance & Distribution,
 Headquarters, Army Air Force, Washington 25, D.C. (Attention: Procurement Branch).

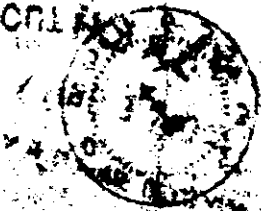
1. Contact has been made with the insurance carrier which advises that this settlement statement "will be rushed out." It is requested that within a reasonable time if such statement is not received that this office be advised.

For the Fiscal Director:

S. R. MILLER,
 Lt. Colonel, J.A.G.C.,
 Acting Chief, Contract Insurance Branch,
 Special Financial Services Division.

1 Encl. a/c
 (1 copy a/c)

RECYC DIVISION
 SERVICES OF BUREAU
 MAY DELIVERED



ONL

10001

REPRODUCTION WAS
Carlson

NAME

ORIGINAL
(Red)

ARMY AIR FORCES
HEADQUARTERS OF THE MATERIEL COMMAND

WRIGHT FIELD, DAYTON, OHIO

Subject: Contract W 535 ac-21052.

APR 27 1944

To: Commanding General,
Army Air Forces,
Washington, 25, D. C.
Attention: Assistant Chief of Air Staff,
Materiel, Maintenance and Distribution,
Procurement Branch, Materiel Division.

1. Herewith letter to the Under Secretary of War prepared for signature in your office, transmitting three numbers of Letter Contract Special Form dated 22 April 1944, designated as Supplement to Contract W 535 ac-21052, with Jacobs Aircraft Engine Company, Pottstown, Pennsylvania, covering the anticipated procurement of 1,277 Aircraft Engines (Pratt & Whitney Model R-1340-H-1), AAF Model R-1340-AN-1, Spare Parts Therefor, Tooling and Initial Plant Arrangement, at a total estimated cost of \$11,327,300.00, exclusive of a fixed fee of not to exceed four per cent (4%), for approval.

2. Three additional copies of the letter contract are forwarded for your files.

For the Commanding General:



D. C. SWATLAND,
Colonel, Air Corps,
Chief, Procurement Division.

2 Incls.

1. Ltr. to Under Secretary of War
/w 1 encl. as listed therein.
2. Letter Contract Special Form
dated 22 Apr 1944 - Suppl. to
Contract W 535 ac-21052 (3 copies).

ORIGINAL
(Red)

ORIGINAL
(Red)

HAS:deo
Ex. 72938

Basic ltr. subj: Contract W 535 ac-21052 fr. HQ, Army Air Forces, O,
AC/AS-MM&D Procurement Division Washington, DC to Under Secretary of
War Room 5D 725, Pentagon Building, Washington, DC 5-2-44.
1st Ind. fr. Air Force Liaison Branch, Purchases Div. to Wash. DC
to Com. General, AAF, O, AC/AS MM&D, Pentagon Building, Wash. DC 5-2-44.

Subject: Letter Contract Special Form Supplemental
Contract W 535 ac-21052

Jacobs Aircraft Engine Company 2nd Ind. AFDP-2A/1
WD Hq Army Air Forces, Washington 25, D. C. 3 May 1944.

To: Commanding General, Materiel Command, Wright Field, Dayton, Ohio.
(Attention: Chief, Procurement Division.)

Returned herewith, approved 2 May 1944 by the Special
Representative of the Under Secretary of War, are three (3) numbers
of subject Letter Contract Special Form dated 22 April 1944.

By command of General ARNOLD:

W. F. VOLANDT
Colonel, Air Corps
Ass't. Chief, Procurement Division
Office, Ass't. Chief of Air Staff
Materiel, Maintenance & Distribution

Incl:
n/c

ORIGINAL
(Red)

SYMBOL	1 AFDP	2	3	4	5	6
NO OF OFFICERS						
OFFICE ACTION	MRH JMD	PAV				

HQ. AAF
MAY 4 - 1944
MAIL SECTION

ORIGINAL
Recd

2 May 1944

SUBJECT: Contract W 535 ac-21052.

647 426

TO: Under Secretary of War.
Attention: Colonel Park Holland
Room 5D 725

1. Herewith three numbers of Letter Contract Special Form dated 22 April 1944, designated as Supplement to Contract W 535 ac-21052, with Jacobs Aircraft Engine Company, Pottstown, Pennsylvania, covering the anticipated procurement of 1,277 Aircraft Engines (Pratt & Whitney Model R-1340-H-1), AAF Model R-1340-AN-1, Spare Parts Therefor, Tooling and Initial Plant Arrangement, at a total estimated cost of \$11,327,800.00, exclusive of a fixed fee of not to exceed four per cent (4%), forwarded recommending approval under the provisions of Paragraph 305.2, Procurement Regulations No. 3, the First War Powers Act, 1941, and Executive Order No. 9001 dated 27 December 1941.

2. The following information is submitted in connection with this proposed procurement:

a. It is contemplated that the work will be performed at the contractor's plant, Pottstown, Pennsylvania.

b. Material:

Item 1: 1,277 Aircraft Engines (Pratt & Whitney Model R-1340-H-1), AAF Model R-1340-AN-1

Item 2: Spare Parts for said engines

Item 3: Tooling to adjust production

Item 4: Initial plant arrangement to accomplish production

c. Prices (Estimated):

	Unit	Total
Item 1:	\$6,500.00	\$8,300,500.00, excl. of fixed fee
Item 2:	-	\$1,847,300.00, excl. of fixed fee
Item 3:	-	\$1,100,000.00, no fixed fee
Item 4:	-	\$ 80,000.00, no fixed fee

d. Total Value (Estimated):

\$11,327,800.00
405,912.00 (4% fixed fee on Items 1 and 2)
\$11,733,712.00

A-1/AS

A-2/AS

Intel. S.

A-3/AS

A-4/AS

Plans/AS

Insp/AS

Mil. Req.

A. Def.

Bomb.

Gr. Sup.

Base S.

War O&M

Ind. Tr.

Tech. S.

Comm.

Weather

Traffic

Photo. M&C

Tech. Insp.

Pub. Rel.

Dir. Pers.

Mil. Pers.

Civ. Pers.

Surg.

J. Advoc.

Budget

Est.

Adj. Gen.

Org. Pl.

Stat. Pl.

Loc. Pl.

Mat. C.

A. S. C.

F. C.

ORIGINAL
(cont)

6. United Aircraft Corporation, Pratt & Whitney Division, is the designer and developer of the R-1340 series of engines, and Jacobs Aircraft Engine Company is the licensee to manufacture for the war effort. The latter has been building Pratt & Whitney types of aircraft engines as licensee for the past two years.

f. Deliveries are conditional upon the receipt of additional facilities and tooling, some of which will be furnished from present facilities and tooling employed by Continental Aviation and Engineering Corporation at Muskegon, Michigan. Special tooling has heretofore been furnished Continental Aviation and Engineering Corporation under Contract W 535 ac-29309. By Change Order No. 22 to Contract W 535 ac-29309, and Supplemental Agreement No. 3 to Contract W 33-038 ac-415, the said tooling has been made available to Jacobs on a scheduled transfer from Continental to Jacobs.

g. Competition was not invited since this is an expansion of an existing contract on a cost-plus-a-fixed-fee basis for the manufacture of the Model 985 series of aircraft engines, parts of which are interchangeable with the R-1340 series. The source of supply was selected as the only known source at this time capable of performing and immediately taking over the unperformed portion of the R-1340 program from Continental, and capable of meeting the required deliveries. The need for the move of the 1340 program from Continental was due to the requirements of the higher priorities of the V-1650 program, a portion of the manufacture of which has been allocated to Continental. All allocations have been approved by the Joint Aircraft Committee.

h. Exhibit "A" to the letter contract contains several special provisions under which the contractor is given notice that it is expected to take over, to the extent practicable, tooling, unfinished and finished parts, and subcontract and material commitments, from Continental to the extent that the same are in excess of Continental's requirements.

1. The actual prices for this procurement are not known since negotiations in respect thereof have not been concluded. The estimated prices are considered satisfactory for the purpose of a letter contract.

A-1/AS
A-2/AS
Intel. S.
A-3/AS
A-4/AS
Plans/AS
Insp/AS
Mil. Req.
A. Def.
Bomb.
Gr. Sup.
Base S.
War O&M
Ind. Tr.
Tech. S.
Comm.
Weather
Traffic
Photo. M&C
Tech. Insp.
Pub. Rel.
Dir. Pers.
Mil. Pers.
Civ. Pers
Surg.
J. Advoc.
Budget
Fiscal
Mgmt. Con.
Adj. Gen.
Org. Pl.
Stat. Pl.
Leg. Pl.
Mat. C.
A. S. C.
F. C.

ORIGINAL
(Red)

ORIGINAL
(Red)

Ltr. to Under Secretary of War.
Page No. 3.

j. Controlled materials are involved and are expected to be available to provide for the requirements of the scheduled production.

k. The reason for a letter contract is that it is considered essential to give the contractor a binding commitment to permit preparatory work without delay and begin to take over tooling from Continental as of 1 May 1944.

l. The articles are required and are being procured in the interest of the war effort and are listed for procurement under the "J" Program, Fiscal Year 1944.

m. Pottstown, Pennsylvania, where the work will be done is not located in a critical labor shortage area. No clearance is deemed necessary because (1) the work cannot be placed with any other source with assurance of obtaining satisfactory performance and timely deliveries and (2) no increase in employment will result. A portion of the facilities exist and labor has been specially trained. The transfer of this work to Pottstown, Pennsylvania will relieve in part the critical labor situation now existing in Muskegon, Michigan, which is in a Group I Labor Area.

For the Commanding General, Army Air Forces:

W. F. VOLANDT
Colonel, Air Corps
Ass't Chief, Procurement Division
Office, Assistant Chief of Materiel, maintenance & Disposal

2 Incls.

1. Letter Contract Special Form dated 22 Apr 1944 - Suppl. to W 535 ac-21052 (3 numbers).
2. Letter Contract Special Form Suppl. to W 535 ac-21052 (2) OUSW.

*Rel'd by hand
5/2/44
Gpb*

A-1/AS
A-2/AS
Intel. S.
A-3/AS
A-4/AS
Plans/A
Insp/AS
Mil. Res.
A. Def.
Homb.
Gr. Sup.
Base S.
War O&
Ind. Tr.
Tech. S.
Comm.
Weather
Traffic
Photo. A
Tech. In
Pub. Re
Dir. Per
Mil. Per
Civ. Per
Surg.
J. Advoc
Budget
Fiscal
Mgmt. C
Adj. Gen
Org. Pl.
Stat. Pl.
Leg. Pl.
A. S. C.
F. C.

ORIGINAL
(Recd)

SPYDE - 161

1st Ind.

Air Force Procurement Liaison Branch, Purchases Div., 2 May 1944.

To: The Commanding General, AAF, Office, Assistant Chief of Air Staff, M. M. & D.

1. Attention is invited to the attached three (3) numbers of Letter Contract Special Form W 535 ac-21052 with Jacobs Aircraft Engine Company, Pottstown, Pennsylvania, approved by Special Representative of the Under Secretary of War this date.

By direction of the Under Secretary of War:

PARK HOLLAND,
Colonel, Air Corps
Chief of Branch.

1 Incl:
Incl. #2 w/d

ORIGINAL

ORIGINAL
1944

ARMY AIR FORCES
HEADQUARTERS OF THE MATERIEL COMMAND

WRIGHT FIELD, DAYTON, OHIO

Subject: Contract W 535 ac-21052.

APR 27 1944

To: Commanding General,
Army Air Forces,
Washington, 25, D. C.
Attention: Assistant Chief of Air Staff,
Materiel, Maintenance and Distribution,
Procurement Branch, Materiel Division.

1. Herewith letter to the Under Secretary of War prepared for signature in your office, transmitting three numbers of Letter Contract Special Form dated 22 April 1944, designated as Supplement to Contract W 535 ac-21052, with Jacobs Aircraft Engine Company, Pottstown, Pennsylvania, covering the anticipated procurement of 1,277 Aircraft Engines (Pratt & Whitney Model R-1340-E-1), AAF Model R-1340-AN-1, Spare Parts Therefor, Tooling and Initial Plant Arrangement, at a total estimated cost of \$11,327,800.00, exclusive of a fixed fee of not to exceed four per cent (4%), for approval.

2. Three additional copies of the letter contract are forwarded for your files.

For the Commanding General:



D. C. SWATLAND,
Colonel, Air Corps,
Chief, Procurement Division.

2 Incls.

1. Ltr. to Under Secretary of War
/w 1 encl. as listed therein.
2. Letter Contract Special Form
dated 22 Apr 1944 - Suppl. to
Contract W 535 ac-21052 (3 copies).

HAS:deo
Ex. 72933

Basic ltr. subj: Contract W 535 ac-21052 fr. HQ, Army Air Forces, O,
AC/AS-MM&D Procurement Division Washington, DC to Under Secretary of
War Room 5D 725, Pentagon Building, Washington, DC 5-2-44.
1st Ind. fr. Air Force Liaison Branch, Purchases Div. to Wash. DC
to Com. General, AAF, O, AC/AS MM&D, Pentagon Building, Wash. DC 5-2-44

Subject: Letter Contract Special Form Supplemental
Contract W 535 ac-21052

Jacobs Aircraft Engine Company 2nd Ind. AFDPK-2A/1
WD HQ Army Air Forces, Washington 25, D. C. 3 May 1944.

To: Commanding General, Materiel Command, Wright Field, Dayton, Ohio.
(Attention: Chief, Procurement Division.)

Returned herewith, approved 2 May 1944 by the Special
Representative of the Under Secretary of War, are three (3) numbers
of subject Letter Contract Special Form dated 22 April 1944.

By command of General ARNOLD:

W. F. VOLANDT
Colonel, Air Corps
Ass't. Chief, Procurement Division
Office, Ass't. Chief of Air Staff
Materiel, Maintenance & Distribution

Incl:
n/c

OFFICE SYMBOL	1 AFDPK	2	3	4	5	6
SIGNATURE OF RESPONSIBLE OFFICER						MAY 4 - 1944
INTERNAL OFFICE COORDINATION	amc	mmr				MAIL SECTION

AAF #1

ARMY AIR FORCES
HEADQUARTERS
AIR SERVICE COMMAND

ASCS17D-4H

ORIGINAL
FROM
Interm

PATTERSON FIELD, ~~KOSSE~~ OHIO
1 May 1944

SUBJECT: Tools for Jacobs R-755-9 Engines

TO: Commanding General, AAF
Washington 25, D.C.

Attention: Chief, International Section
Materiel Division, ACAS, MM & D

1. It is understood that the Brazilian Aeronautical Commission will initiate in the near future a requisition to cover three (3) complete sets of overhaul tools and three (3) complete Service Tool Kits for subject engines.

2. This office has been informed that the Jacobs Aircraft Engine Company, Pottstown, Pennsylvania can supply and ship subject tools within three days after receipt of order.

For the Commanding General:

[Signature]
P. I. DTY

Lt. Colonel, Air Corps
Chief, Overseas Section
Supply Division

452,13
Jacobs Engine

h. 7 Central file
[Signature]

MAIL ROOM
EXECUTIVE
ADMINISTRATIVE
ADJUTANT GENERAL
CIVILIAN PERSONNEL
FISCAL
INSPECTION
INTELLIGENCE
LEGAL
MATERIEL
MEDICAL
MILITARY PERSONNEL
PLANS
TRAINING & OPERATIONS
WALSH ALBINO BO.

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RESTRICTED

ORIGINAL
(Red)

JOINT AIRCRAFT COMMITTEE
SUBCOMMITTEE ON PRODUCTION PROGRAMS

Case No. 5509

MEMORANDUM

Date: MAY 9 1944

To: Recorder, Joint Aircraft Committee

From: Subcommittee on Production Programs

Subject: Case No. 5509, memorandum dated April 21, 1944, filed by Executive Office, AC/AS, MAAD, Army Air Forces
2 Jacobs R-755-9 engines for Cessna Aircraft Co.

The subject memorandum dated April 21, 1944, was filed by Executive Office, AC/AS, MAAD, AAF, in behalf of Cessna Aircraft Co.

DISCUSSION: The subject memorandum requests approval for the allocation of 2 R-755-9 engines to the Cessna Aircraft Co. Wichita, Kansas.

In a letter dated March 11, 1944, the Cessna Aircraft Co. stated that in the execution of contracts for war materials, that company has owned and operated one Model T50 (commercial) twin-engine Cessna. In view of the fact the engines on this airplane are on their third overhaul, it is desired to install two new engines in the airplane while it is being overhauled with the idea of thus putting the airplane in safe condition for its continuing use for the duration of the war. Due to large contracts for parts, for both the B29 and A26 combat airplanes, it is felt in the interest of the war effort, desirable to have this airplane available to improve the efficiency of operation of the contractor.

On May 3, 1944, the Special Subcommittee on Engines recommended approval for immediate supply by the Army Air Forces.

ACTION: Approval is hereby granted for the immediate supply by the Army Air Forces of 2 Jacobs LAMB engines to the Cessna Aircraft Company.

This action was taken at the Subcommittee meeting of May 4, 1944, and was agreed to by all members present as follows:

Navy:	Lt. Cdr. H. C. Haskell, Cdr. T. F. Jones, (alt.)
Army:	Col. E. G. Barber, Maj. R. M. Smith, Maj. F. M. Squires, (alt.), Capt. J. E. O'Connor, (alt.)
JAC:	F. W. Mussen, Lt. Col. H. Burchall
Canada:	R. D. Macdonald
ARCO:	T. P. Wright, Chairman, A. E. Lombard, Jr., M. A. Tracy (alt.)
Also Present:	Maj. N. H. Shea, (JAC), Lt. S. R. Anthony, USNR, (JAC) Lt. (jg) G. Mambre, (Navy), J. H. Dalton, (FEA) G. W. Ball, (ARCO), C. H. Simmons, (ARCO)

For the Subcommittee on Production Programs:

BY JOINT AIRCRAFT COMMITTEE

C. H. Simmons
Deputy Recorder

RESTRICTED

RESTRICTED
RESTRICTED

ORIGINAL
(Red)

42-07

Allocation of Two (2)
R-755-9 Engines

JOINT AIRCRAFT COMMITTEE

FNS/ejw/2148

SUBCOMMITTEE ON PRODUCTION MATTERS

Dist. Ind. 11-11

AFDMA-4D

Hq Army Air Forces, Washington 25, D. C.

13 May 1944

To: Commanding General, Materiel Command, Wright Field, Dayton, Ohio.

From: *[Faint text]*
1. On 9 May 1944 the Joint Aircraft Committee in Case No. 5509 granted approval for the immediate supply, by the Army Air Forces, of two (2) Jacobs' LAMB engines to the Cessna Aircraft Company.

2. Attached hereto are seven (7) copies of this referenced case.

By Command of General ARNOLD:

S. R. BRENTNALL
Colonel, Air Corps
Chief, Prod. Br., Mat. Div.
Office, Asst Chief of Air Staff
W. E. & D.

1 Incl.
Withdrawn: Incls. #1 and #2.
Added: 1 Incl. - Case No. 5509
7 copies

AAF

MAY 13 1944

SECTION

RESTRICTED

COL	1	2	3	4	5	6
AFDMA-4D						

ORIGINAL
(Rev)

INDEX SHEET

FILE : 452.13 Jacobs, Model A-755-2 Aircraft Engines

: [REDACTED] [REDACTED] Bureau of Aero.

: [REDACTED] [REDACTED] Engine Co.

: [REDACTED] [REDACTED]

Date

4-17-44

SYNOPSIS

From: AFMA

To: CHIEF, BUREAU OF AERO., NAVY DEPT., WASH., D. C.

SUBJECT: MANY OTHERS 20000-100 - ON HAND OF NAVY

OPERATED MODEL A-755-2 AIRCRAFT ENGINES

Original filed under No.

400.138 misc

SUBJECT:

to

ATTENTION

In the
has been and
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airplane for
airplane three
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parts for both
to interest
to available

Your
on engine 3001

452.13 Jacobs
452.13 Jacobs
452.13 Jacobs
452.13 Jacobs

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Y

AAF #1

AFDMA-5A-1/1
HAS: d
EX: 73433

ORIGINAL
(R-1)

SUBJECT: Contract W 535 ao-21052,
DA W 535 ao-378.

TO: Under Secretary of War.
Attention: Colonel Park Holland,
Room 5D 725

1. Herewith one number and two cover sheets of Supplemental Agreement No. 17 to Contract W 535 ao-21052, DA W 535 ao-378, with Jacobs Aircraft Engine Company, Pottstown, Pennsylvania, covering Reduction in Estimated Costs and Fixed Fees and Additional Procurement of Aircraft Engine Spare Parts, resulting in a net increase in estimated cost of \$5,695,619.99, plus a net increase in fixed fee amounting to \$169,170.34, forwarded recommending approval under the provisions of Paragraph 305.2, Procurement Regulations No. 3, the First War Powers Act, 1941 and Executive Order No. 9001 dated 27 December 1941.

2. The following information is submitted in connection with this proposed procurement:

a. The work will be performed at Plant No. 2 of the contractor Pottstown, Pennsylvania.

b. This procurement is comprised of the following items:

1. Additional spare parts at an estimated cost of \$6,614,496.80, at a fixed fee of 4% amounting to \$264,579.87.
2. Voluntary price reduction on the estimated cost and the fixed fee of Exhibit "A" to the prime contract, as heretofore amended, as follows:

(a)	Reduction in estimated cost	\$192,576.75
(b)	Reduction in fixed fee on (a) 6%	11,524.61
(c)	Reduction in fixed fee from 6% to 4% on unshipped balances of Exhibit "A" (\$1,385,921.22)	27,792.54
	Total	\$231,893.90

A-1/AS
A-2/AS
Intel. S.
A-3/AS
A-4/AS
Plans/AS
Insp/AS
Mil. Req.
A. Def.
Bomb.
Gr. Sup.
Base S.
War O&M
Ind. Tr.
Tech. S.
Comm.
Weather
Traffic
Photo. M&C
Tech. Insp.
Pub. Rel.
Dir. Pers.
Mil. Pers.
Civ. Pers.
Surg.
J. Advoc.
Budget
Fiscal
Mgmt. Con.
Org. Pl.
Log. Pl.
Mat. C.
A. S. C.
F. C.

AFDPA-5A-101

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Ltr. to Under Secretary of War,
Page No. 2.

b. continued --

(d) Reduction in fixed fee from 5% to 4% on
unshipped balances of Exhibit "C"
(\$2,376,822.67) \$23,768.23

Total voluntary reduction . . . \$255,631.63

3. Negotiated reduction on estimated cost
of Exhibits "C" and "D" and the fixed
fee as follows:

(a) Reduction in estimated cost -
Exhibit "C" \$330,264.65

(b) Reduction in fixed fee on (a) 5% . . . 16,513.23

(c) Reduction in estimated cost -
Exhibit "D" 396,035.41

(d) Reduction in fixed fee on (c) 4% . . . 15,841.42

Total negotiated reduction . . . \$758,654.71

4. Recapitulation of the above:

Additional spare parts being procured . . . \$6,611,196.80

Fixed fee of 4% 281,579.87

Total \$6,892,796.67

Deduct

Voluntary price reduction, para-
graph 2 \$255,631.63

Negotiated price reduction, para-
graph 3 \$758,654.71

Total \$1,014,286.34

Net total estimated cost of this pro-
curement, including fixed fee \$5,878,510.33

Note: Complete details pertaining to the above figures
are set forth in an enclosure forwarded herewith
marked "Complete Details".

A-1/AS
A-2/AS
Intcl. S.
A-3/AS
A-4/AS
Plans/AS
Insp/AS
Mil. Req.
A. Del.
Bomb.
Gr. Sup.
Base S.
War OAM
Ind. Tr.
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Mai. C.
A. S. C.
F. C.

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HAS:dao
Ex. 73433

Mr. to Under Sec. Army of War.
Subject: Contract # 535 ac-21052,
DA # 535 ac-378

g. The reduction in the estimated cost was effected by the contractor agreeing to accept the breakdown on the latest reduced engine estimate as a basis for the unit prices of all parts unshipped as of 31 August 1943. The new price on Engine Breakdown for Exhibits "X", "Y1" and "Y2" (pertaining to unshipped balances on Exhibits "A", "C" and "D") is \$6,464.09. The old price on Exhibits "C" and "D" was \$6,755.85; and on "A" it was \$7,047.95. The contractor also agreed to reduce the fees of 6% on Exhibit "A" and 5% on Exhibit "C" as provided in the basic contract and Supplements Nos. 2 and 5, to the current rate of 4%. The savings resulting from this action are set forth in paragraph 2 b. hereinabove.

d. Delivery of the spare parts is to be concurrent with the aircraft engines called for under the prime contract, as amended.

e. The contractor has been building aircraft engines of the R-985-AH series as licensee to United Aircraft Corporation, Pratt & Whitney Aircraft Division, for approximately two years.

f. Deliveries are not conditional upon additional facilities being provided.

g. Negotiations were carried on with the contractor as a single facility. United Aircraft Corporation, Pratt & Whitney Aircraft Division, has discontinued the manufacture of the R-985-AH-1 and -6 engines for the purpose of constructing new models, such as the P-4360, R-2800 and R-1890-94.

h. This is an amendment and/or supplement to a cost-plus-a-fixed fee type of contract now in operation. All Pratt & Whitney type engines manufactured by Jacobs Aircraft Engine Company Plant No. 2 are on a cost-plus-a-fixed-fee basis.

i. Contract placement policies were considered and applied. The contractor's efficiency built up over a period of two years has resulted in the lowering of costs which is advantageous to the Government.

j. The prices involved in this supplemental agreement have been reviewed and approved by the Price Analysis Branch, AAF, Materiel Command, and are considered fair and reasonable.

k. Approximately 12% of the procurement will be subcontracted to subcontractors, no part of whose profits or loss will be consolidated with that of the prime contractor. The word "subcontractor" is

SYMBOL	1 AFDMA-5	2	3	4	5	6
NAME OF OFFICER			-3-			
OFFICE						
LOCATION						

Ltr. to Under Secretary of War,
Page No. 4.

used to mean a wholly independent and non-affiliated individual, corporation or other business enterprise. A list of the sub-contractors is not available at this time.

1. Renegotiations were effected with the contractor for the year ending 31 December 1942 as evidenced by agreement dated 17 September 1943 between that corporation and the Government. The net fees of \$399,430.00 paid during 1942 for Pratt & Whitney type engines manufactured at Plant No. 2 were considered in the renegotiations and were determined fair and reasonable.

m. A statement concerning royalties, patents and patent license and rights involved under the prime contract is as follows:

Packard Motor Car Company: License covering use of vibration dampers for engine shafts; fee - .02% of selling price of engine. Average cost per engine \$0.936.

United Aircraft Corporation: License to manufacture, assemble and sell engines of 985 cubic inch displacement to the Government at a fee of \$1.00 per engine shipped.

Wright Aeronautical Corporation: License to use vibration dampers - fee \$1.50 per engine.

n. Controlled materials are involved and are expected to be available to provide for the requirements of the scheduled production. No preference rating has been assigned to this procurement for the reason that the articles are Class "A" products and manufacturers must obtain allotment of materials under the Controlled Materials Plan.

o. The articles are required and being procured in the interest of the war effort and are listed on the Fiscal Year 1944 Program to provide additional maintenance spare parts.

p. The work is to be performed at Pottstown, Pennsylvania, which is in a Group II Labor Area. This is a continuation of the production of articles of the same character being produced by the contractor for the Government. The work cannot be placed with any other source with assurance of obtaining adequate performance

A-1/AS
A-2/AS
Intel. S.
A-3/AS
A-4/AS
Plans/AS
Insp/AS
Mil. Req.
A. Del.
Bomb.
Gr. Sup.
Base S.
War O&M
Ind. Tr.
Tech. S.
Comm.
Weather
Traffic
Photo. M&C
Tech. Insp.
Pub. Rel.
Dir. Pers.
Mil. Pers.
Civ. Pers.
Surg.
J. Advoc.
Budget
Fiscal
Mgmt. Con.
Adj. Gen.
Org. Pl.
Stat. Pl.
Leg. Pl.
Mat. C.
A. S. C.
F. C.

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Ex. 73433

Ltr. to Under Secretary of War,
Page No. 5.

W 535 - 251

and timely deliveries. Established facilities exist and labor has been specially trained. No increase in employment will result.

g. A copy of the prime contract, together with supplements and change orders as are available, is forwarded herewith for ready reference.

For the Commanding General, Army Air Forces:

W. F. VOLANDT
Colonel, Air Corps
Chief, Procurement Branch
Material Division
Assistant Chief of Air Staff
Material, Maintenance & Distribution

3 Incls.

1. Suppl. Agree. #17 to Contract
W 535 ac-21052, DA 378 (1 number
and 2 cover sheets).
2. "Complete Details".
3. Cy prime Contract ac-21052, DA-578
w suppl. & change orders thereto.

*Rec'd by hand
4/17/44
24.2*

A-1/AS
A-2/AS
Intel. S.
A-3/AS
A-4/AS
Plans/AS
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Mil. Req.
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Base S.
War O&M
Ind. Tr.
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Dir. Pers.
Mil. Pers.
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Surg.
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F. C.

AFDMA-5A

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WF-2-11-13-10M

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1st Ind.

Air Force Procurement Liaison Branch, Purchases Div., 3 May 1944.
To: The Commanding General, AAF, Office, Assistant Chief of Air
Staff, M. M. & D.

1. Attention is invited to the attached one (1) number and two
(2) cover sheets of Supplemental Agreement No. 17 to Contract W 535 ac-
21052, DA W 535 ac-378 with Jacobs Aircraft Engine Company, Pottstown,
Pennsylvania, approved by Special Representative of the Under Secretary
of War this date.

By direction of the Under Secretary of War:

PARK HOWLAND
Colonel, Air Corps
Chief of Branch.

3 Incls: N/c

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Basic ltr. subj: Contract W 535 ac-21052, DA W 535 ac-378 from Hq, AAF,
AC/AS MM&D, Procurement Division, Pentagon Bldg. Wash., DC to Under
Secretary of War, Room 5D 725 Pentagon Bldg. Washington, DC 4-17-44.
1st Ind. fr. Air Force Procurement Liaison Branch, Purchases Division, Pentagon,
Bldg. Wash., DC to Commanding General, AAF, Office, Ass't. Chief of Air Staff,
MM&D Wash., DC: 5-3-44.

Subject: Contract W 535 ac-21052,
DA W 535 ac-378 2nd Ind. AF DPR-2A/1
Hq Army Air Forces, Washington 25, D. C., 4 May 1944.

To: Commanding General, Materiel Command, Wright Field, Dayton, Ohio.
(Attention: Chief, Procurement Division.)

Returned herewith as approved are one number and two cover
sheets of Supplemental Agreement No. 17 to subject contract with Jacobs
Aircraft Engine Company.

By command of General ARNOLD:

W. P. VOLANDT
Colonel, Air Corps
Ass't. Chief, Procurement Division
Office, Ass't. Chief of Air Staff
Materiel, Maintenance and Distribution

Incls:
n/c

HQ AAF

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To file
4-24-44
CESSNA
AIRCRAFT COMPANY
Wichita, Kansas

Major Fred N. Squires/ejw/2148

MEMORANDUM FOR: Recorder, Joint Aircraft Committee

Y095

SUBJECT: Jacobs R-775-9 Engines for Cessna Aircraft Company.

DISPATCH:

1. The Army Air Forces request that approval be granted to the allocation of two R-775-9 engines to Cessna Aircraft Company, Wichita, Kansas.

2. Attached hereto is copy of letter dated 11 February 1944 to District Supervisor, Midwestern Procurement District, concerning Cessna's need for the engines requested.

For the Commanding General, Army Air Forces:

J. W. SESSUMS,
Colonel, Air Corps,
Executive, Office,
AC/AS, WELD

1 Incl
copy ltr fr Cessna Aircraft Co

dtd 11 Feb 44

(11) 452.19 Jacobs Engines

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RECEIVED
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AAF #24

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4 April 1944

Insurance - Contract W 535 ac-21052
Jacobs Aircraft Engine Company

Office of Assistant Chief of Air Staff
Material, Maintenance and Distribution
Headquarters, Army Air Forces
Washington 25, D. C.
Attention: Procurement Branch

1. The following inclosures have been approved by this Command and are for transmittal in accordance with Procurement Regulation 493 to Office of the Fiscal Director Army Service Forces, Attention: Chief, Contract Insurance Branch, Special Financial Services Division, The Pentagon, Washington 25, D. C. They are forwarded to your office in accordance with Part 10, Section 4-4-23 of the Army Air Forces Procurement Instructions No. 4:

a. Insurance Carrier's statements of earned premiums under NDA-10000, WD C-10000 and MDL-10000 for the period 31 October 1943 to 30 November 1943.

b. Insurance Advisor's report of services rendered for the period 31 October 1943 to 30 November 1943

c. Insurance Advisor's credit statement for the period 27 January 1943 to 30 November 1943.

For the Commanding General:

D. C. SWATLAND
Colonel, Air Corps
Chief, Procurement Division

Incls.
As stated above.

Jacobs Aircraft Engine Co

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5 April 1944

1095
Insurance - Contract W 535 ac-21052
Jacob Aircraft Engine Company

Office of Assistant Chief of Air Staff
Material, Maintenance and Distribution
Headquarters, Army Air Forces
Washington 25, D. C.
Attention: Procurement Branch

1. Inclosed find copy of letter received from this Contractor dated 30 March 1944 for transmittal to, and appropriate action by, the Office of the Fiscal Director, Army Service Forces, Attention: Chief Contract Insurance Branch, Special Financial Services Division, The Pentagon, Washington 25, D. C.

2. It is requested that this Command be advised of the action taken.

For the Commanding General:

D. C. SWATLAND
Colonel, Air Corps
Chief, Procurement Division

Incl.
Jacob Aircraft ltr.
dtd. 3/30/44

DD 519 mail

BY P. M. G. 4-12-43
MAILED 730032
RECORDED

Subject: Insurance - Contmark W 575 co-01252
Accede Aircraft Engine Company

2nd Ind.

AFDIA-24-27

Headquarters, Army Air Forces, Washington 25, D. C., 8 April 1944.

To: Commanding General, Army Service Forces. Attention: Chief, Construct Insurance Branch, Special Financial Services Division, Office of the Fiscal Director.

1. Forwarded for appropriate action. In this connection it is requested that this office be advised of action taken.

For the Commanding General, Army Air Forces:

W. F. VOLANT
Colonel, Air Corps
Chief, Procurement Branch
Office, Assistant Chief of Air Staff
Material, Maintenance & Distribution

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U S MAIL SECTION

Basic ltr. fr. HQ, Nat. Com. W.F. to O, AC/AS WHMAD 4-5-44.

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10-2240-1 U. S. GOVERNMENT PRINTING OFFICE

BY J. McOLF. NARS, Date 4-12-93

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REPRODUCED AT THE NATIONAL ARCHIVE

ATTN 095 (Jacobs Aircraft Engine) 2nd Ind.

War Department, Headquarters, A.S.F., Washington 25, D. C. 13 April 1944.

The Assistant Chief of Air Staff, Material, Maintenance & Distribution, Headquarters, Army Air Forces, Washington 25, D. C. (Attention: Procurement Branch).

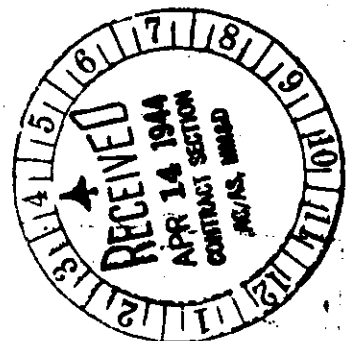
1. Contact has been made with the insurance carrier which advises that this settlement statement "will be rushed out." It is requested that within a reasonable time if such statement is not received that this office be advised.

For the Fiscal Director:

S. R. FELDER,
Lt. Colonel, J.A.G.D.,
Acting Chief, Contract Insurance Branch,
Special Financial Services Division.

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forwarded inviting attention to preceding and subsequent

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Colonel, 412 Corps

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Material, Maintenance & Distribution

6 Apr 44

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BY P. McCall NARS, Date 4-12-93

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REPORT OF THE NATIONAL BOARD OF HEALTH

AGREEMENT OF LEASE

THIS AGREEMENT made and entered into this 19th day of September 1941, by and between Defense Plant Corporation (hereinafter referred to as "Defense Corporation"), a corporation created by Reconstruction Finance Corporation pursuant to Section 5d of the Reconstruction Finance Corporation Act, as amended, to aid the Government of the United States (hereinafter sometimes called the "Government") in its National Defense Program, and Jacobs Aircraft Engine Company (hereinafter called "Lessee"), a corporation organized and doing business under the laws of the State of Pennsylvania;

WITNESSETH:

WHEREAS, the production of aircraft engines and aircraft engine parts for the Government and the expansion of capacity within the United States for such production are important in the interest of the National Defense Program, and

WHEREAS, the War Department has advised that the establishment of an additional plant for the manufacture and furnishing of such products at or near Pottstown, Pennsylvania, and the acquisition of additional machinery and equipment for use in said plant and in Lessee's existing plant (such machinery and equipment, exclusive of items commonly classified as expendable items being hereinafter sometimes called the "Machinery"), are in its opinion necessary in the interest of national defense, and

WHEREAS, Lessee has accepted or proposes to acquire a site at or near Pottstown, Pennsylvania, suitable for the location of such additional plant, and

WHEREAS, Lessee has entered into or contemplates entering into a contract or contracts with the Government for the manufacture and furnishing of such products, and the establishment of the additional plant above referred to and the acquisition of the machinery to be provided hereunder are essential to enable Lessee to manufacture and furnish and to expedite the delivery of such products in accordance with said contract or contracts; and

WHEREAS, Lessee represents that, in the price charged the Government for the manufacture and furnishing of such products, there have been or will be eliminated all charges (including amortization and depreciation), exclusive of the maintenance

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taxes and insurance provided for herein, for the additional facilities to be provided for hereunder;

NOW, THEREFORE, in consideration of the mutual covenants herein contained it is agreed by and between the parties hereto as follows:

ONE: Lessee agrees forthwith upon the execution of this agreement to convey or cause to be conveyed to Defense Corporation the plant site in fee simple, and Defense Corporation agrees to purchase such site. The title to the site and the price thereof shall be satisfactory to Defense Corporation.

TWO: Lessee agrees forthwith and from time to time to prepare, or cause to be prepared, and to submit to Defense Corporation and to the War Department for their approval such plans, designs, specifications, and schedules for the construction and equipment of the plant and the acquisition and installation of the Machinery (which shall indicate the estimated cost thereof, stating as to the Machinery the estimated price of each item), as they may require; and Lessee agrees, upon approval of such plans, designs, specifications, and schedules by Defense Corporation and the War Department, to proceed in accordance therewith and complete as soon as practicable the construction and equipment of the plant (hereinafter called the "Construction Program") and the acquisition and installation of the Machinery (hereinafter called the "Acquisition Program"). With the approval of Defense Corporation, Lessee shall have the right to make any alteration in the plans, designs, specifications, and schedules approved pursuant to this paragraph TWO, provided, that if such alteration will result in substantial delay in effecting or a material alteration in the character of the Programs or will increase the aggregate cost of said Programs beyond the aggregate amount of such estimates, Lessee shall likewise obtain from the War Department its approval of such alteration.

THREE: In carrying out the work to be performed by it under the Construction Program Lessee may employ such contractors and enter into such contracts with them as it may deem advisable, with the written approval of a designated representative of Defense Corporation.

FOUR: Defense Corporation shall advance the funds necessary for carrying out the Construction Program, from time to time as the work progresses, upon requisition of Lessee approved by Defense Corporation. A representative of Defense Corporation authorized to approve such requisitions on its behalf shall be stationed at the site of construction during such times as Lessee may require.

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FIVE Lessee shall from time to time advise Defense Corporation, in writing, of the items of Machinery which Lessee shall propose to purchase for the purpose of the Acquisition Program and the estimated cost thereof, and shall forthwith proceed to purchase the same in the name and on behalf of Defense Corporation, provided, however, that no such items shall be purchased or installed if Defense Corporation shall object thereto within three (3) days of the receipt of such written advice. Defense Corporation shall, from time to time, furnish to Lessee such evidence as Lessee may request with reference to its authority to make such purchases on behalf of Defense Corporation.

SIX: Lessee shall furnish to Defense Corporation and to the War Department a description of each item of Machinery so purchased so that it shall be capable of identification, and, to the extent practicable, each item shall be marked or stamped by Lessee in a way satisfactory to Defense Corporation as to indicate Defense Corporation's ownership thereof.

SEVEN: All bills of the vendors for Machinery purchased by Lessee for the account of Defense Corporation pursuant to the provisions hereof shall be promptly submitted by Lessee to Defense Corporation accompanied by a certificate of Lessee executed by one of its officers duly designated for that purpose, to the effect that the items covered by such bills are included in and necessary in connection with the Acquisition Program, that the prices thereof are in its opinion fair and reasonable, and that such bills are proper for payment. Such bills and other costs of the Acquisition Program when approved by Defense Corporation shall be promptly paid by Defense Corporation.

EIGHT: In the execution of the Program Lessee agrees to comply with, and give all stipulations and representations required by, applicable Federal laws and further agrees to require such compliance, representations, and stipulations with respect to any contract entered into by it with others under such Programs as may be required by applicable Federal law.

NINE: No salaries of Lessee's executive officers, no fees of its attorneys, no part of the expense incurred in conducting Lessee's offices and no overhead expenses of any kind shall be included in the cost of the site or of the Program, except that direct expenses, including salaries of Lessee's officers or employees and fees of attorneys retained or employed by Lessee in connection with the Programs may be so included to the extent approved by Defense Corporation.

TEN: Notwithstanding any other provision herein contained, the maximum amount which Defense Corporation shall be required to expend hereunder shall not exceed Thirteen Million Fifty-six Thousand Three Hundred Twenty-seven Dollars (\$13,056,327); provided, however, that nothing contained in this Agreement of Lease shall be construed as a guarantee by Lessee that the plant site can be acquired and the Construction and Acquisition Programs completed at a cost not in excess of such amount, nor as obligating Lessee to pay any part of such cost.

ELIVEN: Title to the site, buildings, and Machinery to be acquired hereunder shall, unless and until the same shall be transferred by Defense Corporation in accordance with the provisions hereof, be vested in Defense Corporation, and such Machinery shall remain personalty notwithstanding the fact that it may be affixed or attached to realty.

TWELVE: Subject to termination upon the terms hereinafter in this paragraph TWELVE provided, Defense Corporation hereby agrees to lease, and does hereby lease, the site, buildings, and Machinery to be acquired hereunder, to Lessee and Lessee does hereby lease the same from Defense Corporation for a term ending October 1, 1945. Defense Corporation and Lessee each agrees, upon the written request of the other, to execute and deliver such additional instruments of lease as may be necessary to carry out the provisions of this agreement.

This lease under this paragraph TWELVE may be terminated by the parties hereto in the manner hereinafter set forth. At any time when substantial use by Lessee of the site, buildings, and Machinery shall be no longer required to enable Lessee to furnish the Government with products required by it, Defense Corporation may, with the written approval of the War Department, give written notice to Lessee that such substantial use is no longer required and that Defense Corporation therefore proposes the termination of the lease, and Lessee may give similar written notice to Defense Corporation and to the War Department stating that Lessee therefore proposes the termination of this lease. The lease shall terminate ten (10) days after receipt by Lessee of the notice from Defense Corporation above provided or after receipt by Defense Corporation and the War Department of the notice from Lessee above provided, unless within that time Lessee or the War Department, as the case may be, shall require by notice in writing or by telegraph to the other and to Defense Corporation, that the facts necessary to termination, as hereinabove provided, be submitted for determination by arbitrators, in which event the arbitrator to be appointed by the party giving the notice of arbitration shall be named in the notice, the arbitrator to be appointed by the other party to the arbitration (Lessee or the War Department, as the case may be) shall be named within five (5) days of receipt of such

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notice of arbitration, and an additional arbitrator shall, within five (5) days of the appointment of the second arbitrator, be selected by the two (2) arbitrators theretofore appointed, but if one of said parties shall have failed to appoint an arbitrator, the sole arbitrator shall arbitrate the question alone. If two (2) arbitrators shall have been appointed by the respective parties to the arbitration and shall have failed to select an additional arbitrator within the above stated time, the additional arbitrator shall be appointed by the Senior Judge of the Circuit Court of Appeals for the Third Circuit, upon application therefor by either of said parties to the arbitration. The decision of a majority of the arbitrators so appointed, or if either party shall have failed to appoint its arbitrators, the decision of the sole arbitrator, shall be final and binding upon the Lessee, the War Department and Defense Corporation for all purposes. The cost of arbitration, except the cost of the arbitrator appointed by the War Department, shall be paid by Lessee. The arbitrators, or the sole arbitrator, as the case may be, shall give prompt notice in writing of the decision to the War Department, to Lessee and to Defense Corporation, and if the decision substantiates that the facts necessary to termination exist, this lease shall terminate on the fifth day after the giving of notice of the decision.

THIRTEEN: In consideration of the covenants herein contained and as rental for such site, buildings, and Machinery Lessee agrees to pay to Defense Corporation for the period of this lease the sum of One Dollar (\$1) per year payable on or before the first day of January of each year.

FOURTEEN: Defense Corporation, by notice in writing with the approval of the War Department noted thereon, may, in addition to all other rights with reference to termination under paragraph TWELVE hereof, cancel this lease in the event (a) all or substantially all of Lessee's contracts with the Government, at any time outstanding, for the manufacture or furnishing of aircraft engines and aircraft engine parts or other products shall be terminated or canceled prior to completion, or (b) the Government shall request priority with respect to the manufacture or furnishing of any products with the facilities to be provided hereunder, and Lessee shall fail or refuse to give such priority, or (c) a receiver or trustee is appointed for Lessee or its property, or Lessee makes an assignment for the benefit of creditors, or Lessee becomes insolvent, or a petition is filed by or against Lessee

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pursuant to any of the provisions of the United States Bankruptcy Act, as amended, for the purpose of adjudicating Lessee a bankrupt, or for the reorganization of Lessee, or for the purpose of effecting a composition or rearrangement with Lessee's creditors, and any such petition filed against Lessee is not dismissed within sixty (60) days, or (d) of any violation of any of the terms, conditions or covenants of this lease or extension thereof by Lessee and the failure of Lessee to cure such violation within thirty (30) days from the giving of a written notice thereof by Defense Corporation to Lessee. Upon the expiration, termination, or cancellation of this lease, Defense Corporation shall have the right to invoke any remedy permitted by law or in equity for the protection of its interests hereunder, and Lessee hereby expressly waives all rights which it may have to redeem or to be served with any further notice of Defense Corporation's intention to cancel or terminate this lease other than as herein provided.

FIFTEEN: Upon the expiration or termination of this lease pursuant to paragraph TWELVE hereof, or upon the cancellation of this lease pursuant to clause (a) of paragraph FOURTEEN (unless such cancellation shall have been effected because of a violation by Lessee of the contracts referred to in said clause (a)), Lessee shall have and is hereby granted, for a period of ninety (90) days after such termination, expiration, or cancellation (hereinafter referred to as the "Option Period") the right and option by written notice to Defense Corporation and to the War Department, to purchase all but not part of the site, buildings, and Machinery at the following prices:

- (a) If exercised within eight (8) months from the date of execution hereof, at the actual cost to Defense Corporation of the site, buildings, and Machinery (including all direct expenses without overhead incurred by Defense Corporation in connection therewith or in connection with this agreement); or
- (b) If exercised after eight (8) months from the date of execution hereof, at the actual cost to Defense Corporation of the site, buildings, and Machinery (including all direct expenses without overhead incurred by Defense Corporation in connection therewith or in connection with this agreement), less an amount representing depreciation, obsolescence, and loss of value due to use for national defense purposes for each year or fractional part thereof at the following rates for the following classifications of equipment, which classifications shall be determined in connection with the various items as the construction and acquisition of the items comprising the Program proceed:

1. Buildings, Improvements (fencing, paving, spur tracks, etc.) and Building Installations other than mechanical

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(Red)

Jacobs Aircraft

SEVENTEEN: Lessee agrees to save Defense Corporation harmless against any liability whatsoever because of accidents or injury to persons or property occurring in the operation of the plant or the use of the Machinery by Lessee. Lessee also agrees that during the term of this lease it will procure and maintain at its cost public liability insurance and property damage insurance in such amounts and with such companies as Defense Corporation shall approve or require. The policies evidencing such insurance shall name Defense Corporation as an assured, and shall be delivered to Defense Corporation.

EIGHTEEN: Lessee shall use reasonable care in the use and operation of the site, buildings and the Machinery to be provided hereunder and shall keep the same in good state of repair (ordinary wear and tear excepted), and upon the expiration, termination or cancellation of this lease, and upon expiration of the Option Period, if any, Lessee shall forthwith yield, and place Defense Corporation in peaceful possession of the site and buildings and of all the Machinery to be provided hereunder free and clear of any liens and claims other than those resulting from claims against Defense Corporation; and if any of the Machinery shall be then located elsewhere than in the additional plant to be provided hereunder, Defense Corporation shall, in addition, have the right to remove, and upon the written request of Lessee, shall promptly remove, at its own expense, such Machinery, and if such removal shall not take place within sixty (60) days after such request, Lessee may remove the Machinery and place it in storage for the account and at the expense of Defense Corporation, and Defense Corporation shall have corresponding rights and Lessee shall have corresponding rights and obligations with respect to removal and storage of any machinery not owned by Defense Corporation that may then be located in the additional plant to be provided hereunder.

NINETEEN: Lessee may use such items of Machinery as it may designate in writing to Defense Corporation, in connection with the manufacture and furnishing of Aircraft engines, aircraft engine parts and other products for the Government in any other plants of Lessee. Lessee may also, with the written approval of Defense Corporation and the War Department, lease or lend to any suppliers any item of Machinery, the lease or loan of which it may deem necessary for the performance by Lessee of its contracts with the Government. Any such lease or loan shall be upon such terms and conditions as Defense Corporation and the War Department may approve, and Lessee shall in no event by any such lease or loan be relieved of its obligations

under the provisions of this agreement.

TWENTY: Lessee agrees to pay to the proper authority, when and as the same become due and payable, all taxes, assessments, and similar charges which at any time during the term of this lease may be taxed, assessed or imposed upon Defense Corporation or Lessee with respect to or upon the site, the buildings, or the Machinery, or any part thereof, or upon the occupier thereof or upon the use of the site, buildings or Machinery. Lessee also agrees to pay all claims or charges for or on account of water, light, heat, power and any other service or utility furnished to or with respect to the site, the buildings or the Machinery, or any part thereof.

TWENTY-ONE: In carrying out the Programs and in the operation of the plant and any of the Machinery to be acquired hereunder Lessee agrees to comply with all applicable State, municipal and local laws and the rules, orders, regulations and requirements of any departments and bureaus and all local ordinances and regulations and further agrees to indemnify and hold Defense Corporation harmless from any liability or penalty which may be imposed by local or State authority or any department or bureau thereof by reason of any asserted violation by Lessee of such laws, rules, orders, ordinances or regulations; provided, however, that nothing contained in this paragraph TWENTY-ONE shall be construed as requiring Lessee to make any structural changes in or additions to the Plant or the Machinery at its own expense.

TWENTY-TWO: Lessee agrees that it will not, without the prior written consent of Defense Corporation and the War Department, use such site, buildings and Machinery for any purpose except for the manufacture and furnishing of aircraft engines, aircraft engine parts and other products for the Government unless Lessee shall make available for such manufacture and furnishing other facilities of substantially equivalent productive capacity. Lessee also agrees that as long as this lease remains in effect it will eliminate all charges (including all charges for amortization and depreciation) exclusive of the maintenance, taxes and insurance provided for herein, for the site, buildings and the Machinery to be provided hereunder, or, as the case may be, for any such substantially equivalent productive capacity, from any price charged the Government or any supplier for the Government.

TWENTY-THREE: So long as this lease remains in effect, Lessee shall make available to Defense Corporation and the War Department for audit and inspection, its records pertaining to the acquisition of the site and the Programs and the operations of the plant and any of the Machinery. Defense Corporation and the War Department shall have the right to inspect the site, buildings and Machinery to be provided

ORIGINAL
(Red)

Jacobs Aircraft

IN WITNESS WHEREOF, the parties hereto have caused their corporate seals to be hereunto affixed, and these presents to be signed by their duly authorized officers the day and year first above written.

Attest:

[Signature]

DEFENSE PLANT CORPORATION

By *[Signature]*
President

Attest:

[Signature]

JACOBS AIRCRAFT ENGINE COMPANY

By *[Signature]*
President

DISTRICT OF COLUMBIA: SS

^{7th}
On this 25th day of October, A.D., 1941, before me, a Notary Public in and for the District of Columbia, appeared _____ and _____ to me personally known, who being by me sworn, did each for himself say that they are respectively the _____ and the _____ of Defense Plant Corporation, the corporation named in and which executed the within instrument, and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____ and _____ acknowledged said instrument to be the free act and deed of said corporation.

Thomas S. Kelly
Notary Public, District of Columbia
My commission expires _____

State of Pennsylvania
County of Montgomery

On this 19th day of September, A.D., 1941, before me, a Notary Public in and for the County of Montgomery, appeared C. J. Abbott and J. Story Smith, to me personally known, who being by me sworn, did each for himself say that they are respectively the President and the Secretary of Jacobs Aircraft Engine Company, the corporation named in and which executed the within instrument, and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said C. J. Abbott and J. Story Smith acknowledged said instrument to be the free act and deed of said corporation.

Catherine P. [Signature]
Notary Public
My commission expires March 12, 1945

WAR DEPARTMENT
OFFICE OF THE UNDER SECRETARY
WASHINGTON, D. C.

October 22, 1941.

Defense Plant Corporation
Lafayette Building
811 Vermont Avenue, N. W.
Washington, D. C.

Gentlemen:

1. It is the opinion of the War Department that in the present emergency

(a) the substantial expansion of the existing capacity for the production of aircraft engines and aircraft engine parts required by the Government for its National Defense Program is essential; and

(b) the acquisition and establishment of an additional plant at or near Pottstown, Pennsylvania, for operation by Jacobs Aircraft Engine Company (hereinafter called "Jacobs"), and the acquisition of additional machinery and equipment for use by Jacobs in said plant and in Jacobs' existing plant are required to enable Jacobs to expedite the manufacture and delivery by Jacobs to the Government and/or to suppliers of the Government of such aircraft engines and aircraft engine parts.

2. We understand that Defense Plant Corporation has agreed to acquire a plant site at the above-described location suitable for the erection of such a plant and that the cost of such a plant site, plant, machinery and equipment will not be in excess of fifteen million seven-hundred thousand seven-hundred seventy-seven (15,077,727) dollars.

3. In consideration of the acquisition by Defense Plant Corporation of the Jacobs Aircraft Engine Company, covering the acquisition of such a plant site, plant, machinery and equipment and the lease of the same to Jacobs, this Department will reimburse Defense Plant Corporation for all amounts expended by it (including direct expenses of Defense Plant Corporation, but without overhead) in accordance with such agreement as follows:

(a) For acquisition of the plant site, the purchase of plant site, plant, machinery and equipment (the total of which shall not exceed fifteen million seven-hundred thousand seven-hundred seventy-seven (15,077,727) dollars).

ORIGINAL
(Red)

10/22/43

- 2 -

thirteen Seven Hundred Twenty-seven (13,727)
dollars with interest at the rate of one and one-
half percent (1 1/2 %) on the first one-half of such
expenditures from the date or dates of the making
thereof to the date of such reimbursement, which
shall be not later than June 1, 1943;

- (i) in the event that Congress shall hereafter authorize
such reimbursement by making appropriations therefor,
for the balance of the total expenditures made by
Defense Plant Corporation, with similar interest,
not later than June 1, 1943.

7. The foregoing commitments are made upon the understanding
that

- (a) if and when Defense Plant Corporation shall have
been reimbursed in full for all amounts expended
by it in accordance with said agreement with
interest as above provided, it will upon the request
of this Department transfer title to the plant site,
plant, machinery and equipment to the United States
Government, or in accordance with the directions
of this Department, any such transfer to be made
subject to such rights of Jacobs as may then exist
under said agreement between Jacobs and Defense
Plant Corporation with reference to the purchase
of the plant site, plant, machinery and equipment;
and that
- (b) except for the lease to Jacobs embodied in the
agreement hereto annexed and except as therein
required, Defense Plant Corporation will not sell
or lease or otherwise dispose of or transfer the
plant site, plant, machinery and equipment, or
any part thereof without the approval of this
Department; and that
- (c) in the event that Jacobs shall, in accordance
with said agreement, by exercise of the option
therein granted or otherwise, purchase any or all
of the property covered by said agreement, or in
the event of any other sale, lease, or other dis-
position of any or all of such property, Defense
Plant Corporation shall be entitled to receive the
proceeds thereof until it shall have been reimbursed
in full for all amounts expended by it under said

DECLASSIFIED PER EXECUTIVE ORDER 12812

BY

SEARCHED INDEXED AT THE NATIONAL ARCHIVES

NARA

Date

11-10-52

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Defense Plant Corporation
(Jacobs Aircraft Engine Co.)

10/22/41

- 3 -

agreement with interest as above provided and this Department shall be entitled to receive credit, first on this Department's obligation under paragraph 3(b) hereof and then on this Department's obligation under paragraph 3(a) hereof, of the amount of any proceeds of such sale, lease, or other disposition. To the extent, whether in whole or in part, that such proceeds exceed the amount, if any, necessary to reimburse Defense Plant Corporation in full, with interest, for all amounts expended by it in accordance with said agreement this Department shall be entitled to receive such proceeds; and that

- (d) to the extent that this Department shall have reimbursed Defense Plant Corporation for amounts expended by it in accordance with said agreement with interest as above provided, this Department shall have a lien upon the plant site, plant, machinery and equipment covered by such agreement, subject to the provisions of said agreement and the right of Defense Plant Corporation to receive and apply proceeds as set forth in paragraph 4(c) hereof; and that
- (e) said agreement shall not be amended nor the amount expended by Defense Plant Corporation for the cost of said plant site, plant, machinery and equipment be increased beyond Thirteen Million Seventy-seven Thousand Seven Hundred Twenty-seven (13,077,727) Dollars without the written consent of this Department; and that
- (f) Defense Plant Corporation agrees to make available to this Department upon its request such of its books and records as relate to the construction, acquisition, and installation of the plant site, plant, machinery and equipment covered by said agreement and to the amounts expended by Defense Plant Corporation thereunder.

5. This letter is signed in triplicate in behalf of the War Department. If the arrangement set forth therein is satisfactory to Defense Plant Corporation its acceptance thereof should

Defense Plant Corporation
(Jacobs Aircraft Engine Co.)

10/22/42

- 4 -

be noted on each of the three copies executed by this Department and two executed copies should be returned, with a copy of the applicable votes of the Board of Directors of the Corporation, in order that the records of this Department and of the General Accounting Office may be completed.

Approval recom ended:

For the Chief of the Air Corps

O. F. KETTER,
Brig. Gen., U.S. A.,
Chief, Inspection Division.

W. A. HOWARD, Colonel, Air Corps,
Corresponding Officer.

Accepted:
DIRECTOR PLANT CORPORATION

APPROVED: October 25, 1942
by direction of the Secretary of War.

W. H. H. H. H. H.

W. H. H. H. H.
JOSEPH P. PATTERSON,
Under Secretary of War.

(Confidential Title)

DECLASSIFIED PER EXECUTIVE ORDER

By SP/6 SA/INCHON TANGILIAN 3M1 JV 03/06/03 AND 842505
NARA, Date 11-10-51

WAR DEPARTMENT
OFFICE OF THE UNDER SECRETARY
WASHINGTON, D. C.

April 13, 1942

Defense Plant Corporation
Lafayette Building
811 Vermont Avenue, N. W.
Washington, D. C.

Gentlemen:

1. We wish to supplement this Department's letter of October 22, 1941 to you with respect to the establishment of additional facilities for the production of aircraft engines and aircraft engine parts at Pottstown, Pennsylvania for operation by Jacobs Aircraft Engine Company.

2. We understand that a further study of the estimated cost of this project indicates that the total cost will not be in excess of \$13,056,327.

3. We further understand that Defense Plant Corporation has entered into an amendatory agreement amending the existing agreement of lease with Jacobs Aircraft Engine Company by the terms of which the total amount to be expended by Defense Plant Corporation will not exceed the sum of \$13,056,327. In view of the foregoing this Department hereby amends its aforesaid letter agreement with you dated October 22, 1941 by substituting the figure \$13,056,327 in paragraphs 2, 3(a), and 4(c) of said letter agreement instead of and place of the figure \$13,077,727.

4. This letter is signed in triplicate in behalf of the War Department. If the arrangement set forth herein is satisfactory to Defense Plant Corporation, its acceptance thereof should be noted on each of the three copies executed by this Department and two executed copies should be returned with a copy of the applicable votes of the Board of Directors of your

Plant Corporation
(Aircraft Engine Co.)

1-13-42

- 2 -

Corporation in order that the records of this Department and of the General Accounting Office may be completed.

Approval recommended:

W. F. Voland
W. F. VOLANDT

Colonel, Air Corps

Ast., Materiel Command

Accepted:

APPROVED FOR THE SECRETARY OF WAR

W. F. Voland

W. F. VOLANDT, Colonel, Air Corps
Contracting Officer

APPROVED: *April 14, 1942*
By direction of the Secretary of War

By: _____

(Official Title)

R. L. P. Pitt

ROBERT L. PITTS
Under Secretary of War

WAR DEPARTMENT
OFFICE OF THE UNDER SECRETARY
WASHINGTON, D. C.

November 3, 1942

Defense Plant Corporation
Lafayette Building
811 Vermont Avenue, N. W.
Washington, D. C.

Gentlemen:

1. It appears desirable from the standpoint both of the War Department and of Defense Plant Corporation (hereinafter called "DPC") to amend and supplement the letter agreement between the War Department and DPC dated October 22, 1941, as heretofore amended, relating to the establishment of facilities to be operated by Jacobs Aircraft Engine Company in the following particulars:

- (a) the War Department will pay to DPC promptly upon receipt of evidence of the signing and delivery by DPC of the lease agreement in question one-half of the estimated maximum cost stated in the aforesaid letter agreement, as amended, and, upon receipt from DPC of the established forms of certificates from the authorized representatives of DPC, will also pay to DPC interest at the rate of one and one-half (1½) percent per annum on the expenditures constituting, in whole or in part, such theretofore unreimbursed portion (or whole) of such one-half, from the dates of the making of such expenditures to the date of the payment to DPC hereinabove provided for;
- (b) in the event that Congress shall hereafter authorize the same by making appropriations therefor, the War Department will reimburse DPC for the unrecovered balance of the expenditures made by it in accordance with the lease agreement in question (including direct expenses of DPC, but without overhead), with interest thereon from the date or dates of the making thereof to the date of such reimbursement, which shall be not later than the date specified in paragraph 3(b) of the letter agreement in question (appropriate adjustments of interest to be made at the rate of one and one-half percent (1½) with respect

Defense Plant Corporation
(Jacobs Aircraft Engine Company)

11/3/42

- 2 -

to any rental (in excess of \$1-per-year) or purchase price received by DPC and also with respect to any insurance proceeds not devoted to the repair, restoration or replacement of the property damaged or destroyed);

- (c) in the event the total expenditures made by DPC in accordance with the lease agreement in question (excluding payment by DPC of its own direct expenses as well as overhead and deducting all insurance proceeds not devoted to the repair, restoration or replacement of property damaged or destroyed prior to completion of the project) are for any reason less than the estimated maximum cost stated in the applicable letter agreement, as amended, the difference between the aggregate sum (excluding interest) paid to DPC and one-half of such total expenditures shall be refunded to the War Department;
- (d) for the purpose of computing the interest referred to in paragraph 1(b) hereof, the first expenditures made by DPC in accordance with the lease agreement in question shall be offset against the payment provided for in paragraph 1(a) hereof;
- (e) pursuant to the requirement of Executive Order No. 9001 dated December 27, 1941, DPC warrants that it has not employed any person to solicit or secure this contract upon any agreement for a commission, percentage, brokerage, or contingent fee. Breach of this warranty shall give the War Department the right to annul the contract or, in its discretion, to deduct from the contract price or consideration the amount of such commission, percentage, brokerage, or contingent fee. This warranty shall not apply to commissions payable by contractors upon contracts or sales secured or made through bona

Defense Plant Corporation
(Jacobs Aircraft Engine Company)

11/3/42

- 3 -

vide established commercial or selling
agencies maintained by the contractor
for the purpose of securing business.

2. This letter is signed in triplicate by the War Department, acting under authority of the First War Powers Act, 1941, and Executive Order No. 9001. If the arrangement set forth herein is satisfactory to DPC, its acceptance thereof should be noted on each of the three copies executed by this Department, and the bond original and one carbon should be returned, with a certificate of the Secretary (or Assistant Secretary) of DPC with respect to action taken by the Board of Directors of DPC regarding this proposed arrangement, in order that the records of this Department and of the General Accounting Office may be completed.

Approval recommended:

For the Commanding General, Materiel Command

W. F. Volandt

W. F. VOLANDT
Colonel A. C.
Assistant Chief of Staff (G)

W. F. Volandt

W. F. VOLANDT, Colonel, Air Corps
Contracting Officer

Accepted:
DEFENSE PLANT CORPORATION

[Signature]

APPROVED: November 8, 1942
By direction of the Secretary of War

(Official Title)

[Signature]

ROBERT P. PATTERSON
Under Secretary of War

WAR DEPARTMENT
OFFICE OF THE UNDER SECRETARY
WASHINGTON, D. C.

May 4, 1942

Defense Plant Corporation
Lafayette Building
511 Vermont Avenue, N. W.
Washington, D. C.

Gentlemen:

1. We wish to supplement this Department's letters of October 22, 1941 and April 13, 1942, to you with respect to the establishment of additional facilities for the production of aircraft engines and aircraft engine parts at Pottstown, Pennsylvania for operation by Jacobs Aircraft Engine Company.

2. We understand that Defense Plant Corporation is willing to make the necessary additional expenditures in this connection and that this will not increase the amount to be expended by Defense Plant Corporation under its existing lease agreement with Jacobs Aircraft Engine Company, dated September 1, 1941, by more than \$7,850,000.

3. We further understand that Defense Plant Corporation has entered into an amendatory agreement amending the existing agreement of lease in the form hereto annexed and covering such additional costs, and this Department agrees to amend and does hereby amend its aforesaid letter agreement with you dated October 22, 1941, by substituting the figure \$20,945,171 in paragraphs 2, 3(a), and 4(c) of said letter agreement instead of and place of the figure \$13,056,327.

4. This letter is signed in triplicate in behalf of the War Department. If the arrangement set forth herein is satisfactory to Defense Plant Corporation, its acceptance thereof should be noted on each of the three copies executed by this Department and two executed copies should be returned with a copy of the applicable votes of the Board of Directors of your

RESTRICTED

SECRET

[Signature]
Special Agent in Charge
Department of War

[Signature]
Special Agent in Charge

[Signature]
Contracting Officer
Colonel, Air Corps
Department of War

[Signature]
Accepted: Assistant
Colonel, Air Corps
W. F. VOLANDT

[Signature]

Approved recommended:
for the Commanding General, Materiel Command

Cooperation in order that the records of this Department and of
the General Accounting Office may be completed.

7-7-42

Defense Plant Corporation
(Jacobs Aircraft Engine Co.)

ELEVATED STEEL TANKS
DETAILED SPECIFICATION FOR

Agent for Jacobs Aircraft Engine Company
Agent, acting for and on behalf of
Defense Plant Corporation

Contract #3419-28

FORD, BACON & DAVIS, INC., - ENGINEER-CONSTRUCTOR

POTTSTOWN, PA.

PLANT #2

JACOBS AIRCRAFT ENGINE COMPANY

ORIGINAL
(Rev)2.08 STRUCTURAL STEEL

Furnish and erect all steel support, tie rods, ladders to balcony and from balcony to top of tanks all as shown on plan.

2.09 STRUCTURAL STANDARDS

In all cases where not specified the A.I.S.C. Code of 1941 and pamphlet No. 22 of National Board of Fire Underwriters shall apply.

2.10 STEEL TANKS

Furnish and erect two steel tanks as shown on drawing. Tank No. 1 shall have a capacity of 50,000 gallons; tank No. 2 shall have a capacity of 150,000 gallons. The construction of the steel tanks shall be done in accordance with the following:

(a) Dead Load

The dead load shall be the estimated weight of all permanent construction and fittings. The unit weight of steel shall be considered 490 lbs. and of concrete, 144 lbs. per cubic foot.

(b) Live Load

The live load shall be the weight of all the liquid when overflowing the top of the tank. The unit weight of water shall be considered at 62.5 lbs. per cubic foot. Proper provision must be made for temporary stresses during erection. When roofs have a slope of less than 30 deg. and are located where the lowest mean temperature for one day is below plus 5 deg. F. they shall be designed to support a uniform weight of snow of 25 lbs. per sq.ft. on the horizontal projection.

(c) Wind Load

The wind pressure shall be assumed to be 30 lbs. per sq.ft. on a vertical plane surface. In calculating the wind load on a cylindrical surface, 6/10 of the above pressure shall be applied to the total area of the vertical projection and the point of application of the load shall be at the center of gravity of the projected area.

(d) Unit Stresses

The maximum stresses in pounds per sq.in. produced by the foregoing loads or any combination of them, shall not exceed the values in the following:

(1) <u>Tension:</u>	On net section, Rolled Steel	15,000
	Anchor Bolts	18,000

Jacobs Aircraft
(Amendatory)
(Plancor 164)

AGREEMENT AMENDING AGREEMENT OF LEASE

THIS AMENDATORY AGREEMENT, made and entered into this 7th day of May, 1942, by and between Defense Plant Corporation (hereinafter referred to as "Defense Corporation"), a corporation created by Reconstruction Finance Corporation pursuant to Section 5d of the Reconstruction Finance Corporation Act, as amended, to aid the Government of the United States in its National Defense Program, and Jacobs Aircraft Engine Company (hereinafter called "Lessee"), a corporation organized and doing business under the laws of the State of Pennsylvania;

WITNESSETH:

WHEREAS, an agreement of lease was entered into on the 19th day of September, 1941, by and between Defense Corporation and Lessee covering the lease by Defense Corporation to Lessee of certain facilities for the purpose of enabling Lessee to increase production and to extend its capacity for the production of aircraft engines and aircraft engine parts for the Government in connection with the National Defense Program; and

WHEREAS, said agreement of lease dated September 19, 1941, provided, among other things, that the maximum amount which Defense Corporation would be required to expend thereunder for the acquisition of facilities leased to Lessee as aforesaid, should not exceed Thirteen Million Fifty-six Thousand Three Hundred Twenty-seven Dollars (\$13,056,327); and

WHEREAS, Lessee has advised that due to the necessity of further expanding its capacity for the production of aircraft engines and aircraft engine parts, said amount is insufficient and has requested that said maximum amount be increased by Seven Million Eight Hundred Eighty-eight Thousand Eight Hundred Forty-four Dollars (\$7,888,844); and

WHEREAS, the War Department has advised that the increase as requested by Lessee as aforesaid, has its approval;

NOW, THEREFORE, in consideration of the premises it is agreed by and between the parties hereto that said agreement of lease entered into on September 19, 1941, by and between Defense Corporation and Lessee be and the same hereby is amended in the following particulars:

By striking therefrom paragraph TEN and substituting in lieu and in place of said paragraph TEN the following paragraph TEN:

ORIGINAL
(Red)

Jacobs Aircraft
(Amendatory)
(Plancon 164)

TEN: Notwithstanding any other provision herein contained, the maximum amount which Defense Corporation shall be required to expend hereunder shall not exceed Twenty Million Nine Hundred Forty-five Thousand One Hundred Seventy-one Dollars (\$20,945,171); provided, however, that nothing contained in this Agreement of Lease shall be construed as a guarantee by Lessee that the plant site can be acquired and the Construction and Acquisition Programs completed at a cost not in excess of such amount, nor as obligating Lessee to pay any part of such cost.

IN WITNESS WHEREOF, the parties hereto have caused their corporate seals to be hereunto affixed, and these presents to be signed by their duly authorized officers the day and year first above written.

Attest:

[Signature]
Secretary

DEFENSE PLANT CORPORATION

By [Signature]
President

Attest:

[Signature]
Secretary

JACOBS AIRCRAFT ENGINE COMPANY

By [Signature]
President

DISTRICT OF COLUMBIA: SS

On this 9th day of May, A. D., 1942, before me, a Notary Public in and for the District of Columbia, appeared JOHN W. SMYLER and JOHN M. SMYLER to me personally known, who being by me sworn, did each for himself say that they are respectively the Vice President and the President of Defense Plant Corporation, the corporation named in and which executed the within instrument, and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said JOHN W. SMYLER and JOHN M. SMYLER acknowledged said instrument to be the free act and deed of said corporation.

Charles J. Brutton
Notary Public, District of Columbia;
My commission expires Jan 14

Commonwealth of Pennsylvania }
County of Montgomery } SS

On this 7th day of May, A. D., 1942, before me, a Notary

ORIGINAL
(Rev)

Jacobs Aircraft
(Amendatory)
(Plancor 164)

Public in and for the County of Montgomery, appeared C. J. Abbott
and J. Story Smith, to me personally known, who
being by me sworn, did each for himself say that they are respectively the Presi-
dent and the Secretary of Jacobs Aircraft Engine Company, the corpora-
tion named in and which executed the within instrument, and that the seal affixed
to said instrument is the corporate seal of said corporation, and that said in-
strument was signed and sealed in behalf of said corporation by authority of its
Board of Directors, and said C. J. Abbott and J. Story Smith
acknowledged said instrument to be the free act and deed of said corporation.

Catherine E. Delaney
Notary Public
My commission expires March 10, 1945

RECONSTRUCTION FINANCE CORPORATION
WASHINGTON, D. C.VIA LEASED WIRE

NOVEMBER 14, 1945

MCNULTY
PHILADELPHIA
PHILADELPHIA, PENNSYLVANIA

REURLET OCTOBER 29, 1945 AND YOUR TELEPHONE CONVERSATION OF NOVEMBER 9 WITH MR. BOGS: MY TELEGRAM OF OCTOBER 31, 1945, IS HEREBY AMENDED TO AUTHORIZE YOU TO PERMIT USE BY FIRESTONE TIRE AND RUBBER COMPANY, PENDING PURCHASE, OF EQUIPMENT COSTING \$125,000.00; ACQUIRED PURSUANT TO LETTER OF INTENT ISSUED TO FIRESTONE ON JULY 24, 1945, AS AMENDED (PLANCOR 164-B) PROVIDED SUCH PERMISSION SHALL BE MADE SUBJECT TO FOLLOWING CONDITIONS, IN LIEU OF STIPULATIONS CONTAINED IN MY TELEGRAM OF OCTOBER 31: (1) SAID EQUIPMENT SHALL BE MARKED OR STAMPED BY FIRESTONE SO AS TO INDICATE THIS CORPORATION'S OWNERSHIP THEREOF; (2) AS RENTAL FOR USE OF SAID EQUIPMENT, FIRESTONE SHALL PAY TO THIS CORPORATION, MONTHLY, AN AMOUNT EQUAL TO ONE (1%) PER CENT OF TOTAL INSTALLED COST THEREOF; (3) CONSENT TO USE OF EQUIPMENT SHALL BE TERMINABLE BY EITHER PARTY UPON THIRTY (30) DAYS' WRITTEN NOTICE; (4) SAID EQUIPMENT SHALL REMAIN PERSONAL PROPERTY OF THIS CORPORATION, NOTWITHSTANDING IT MAY BE AFFIXED OR ATTACHED TO REALTY; (5) FIRESTONE SHALL SAVE THIS CORPORATION HARMLESS AGAINST ANY LIABILITY ARISING OUT OF ACCIDENTS OR INJURY TO PERSONS OR PROPERTY RESULTING FROM USE OF SAID EQUIPMENT BY FIRESTONE; (6) FIRESTONE SHALL PROCURE AND MAINTAIN AT ITS COST PUBLIC LIABILITY AND PROPERTY DAMAGE INSURANCE, AS WELL AS INSURANCE ON SAID EQUIPMENT AGAINST FIRE, "WINDSTORM", ETC., WITH COMPANIES AND IN AMOUNTS SATISFACTORY TO OR REQUIRED BY THIS CORPORATION. POLICIES SHALL BE MADE PAYABLE AND DELIVERED TO

ORIGINAL
(Red)

MCNULTY

- 2 -

PLANCOR 164-B

THIS CORPORATION: (7) FIRESTONE SHALL USE REASONABLE CARE IN USE AND OPERATION OF SAID EQUIPMENT AND, IN EVENT PURCHASE THEREOF IS NOT CONSUMMATED, SHALL RETURN SAID EQUIPMENT TO THIS CORPORATION IN SAME CONDITION AS RECEIVED, ORDINARY WEAR AND TEAR EXCEPTED: (8) FIRESTONE WILL NOT PERMIT ANY LIEN TO ARISE AGAINST SAID EQUIPMENT, OTHER THAN LIENS OF CLAIMS AGAINST THIS CORPORATION: FIRESTONE SHALL GIVE THIS CORPORATION ACCESS TO SAID EQUIPMENT FOR INSPECTION, SERVICING AND, IF NECESSARY, REMOVAL OF SAID EQUIPMENT: (9) FIRESTONE SHALL NOT SUBLEASE OR PERMIT USE BY OTHERS OF SAID EQUIPMENT OR ASSIGN ANY OF ITS RIGHTS OR OBLIGATIONS HEREUNDER, WITHOUT PRIOR WRITTEN CONSENT OF THIS CORPORATION; (10) FIRESTONE SHALL AGREE TO COMPLY WITH ALL APPLICABLE LAWS, RULES, ETC., TO PAY ALL TAXES, ASSESSMENTS, ETC., LEVIED UPON SAID EQUIPMENT OR ITS USE, TO PAY ALL CHARGES FOR WATER, LIGHT, HEAT, ETC., FURNISHED WITH RESPECT TO SAID EQUIPMENT, AND TO INDEMNIFY THIS CORPORATION AGAINST ANY PENALTY FOR VIOLATION BY FIRESTONE OF ANY LAW, RULE, ETC. PLEASE FURNISH STATEMENT OF SPECIFIC ITEMS OF EQUIPMENT TO BE USED BY FIRESTONE.

A. T. HOBSON
SECRETARY
RECONSTRUCTION FINANCE CORPORATION

PLANCOR 164-B

Copies to:
Sullivan (2)
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ORIGINAL
(Rec)

RECONSTRUCTION FINANCE CORPORATION

WASHINGTON 25, D. C.

August 26, 1946

Magnaflux Corporation
5900 Northwest Highway
Chicago 31, Illinois

Attention: Mr. E. E. Glover

Re: Jacobs Aircraft Engine Company
Pottstown, Pa. - Planner 164
"Tylo" Engineering Service
Agreement and Plant License dated
October 14, 1942.

Dear Mr. Glover:

Reference is made to your letter of December 27, 1945 addressed to Mr. Reuben T. Carlson, Special Patent Counsel, relating to the captioned matter, and in which you state that you are indicating in the records of your Company that the subject agreement has been cancelled as of October 13, 1945 for the reason that the Office of Defense Plants did not desire to continue the agreement in effect.

There is no objection by this office to the cancellation of said agreement, and in order to render such cancellation mutual and bilateral, this Corporation, successor of Defense Plant Corporation to the rights and privileges under said agreement, agrees that the license agreement dated October 14, 1942 and entitled "TYLO" Engineering Service Agreement and Plant License may be rescinded and terminated, and the same will be rescinded and terminated as of October 13, 1945 upon receipt from you of the enclosed copy of this letter signed by a duly authorized officer of your Company, agreeing to such rescission and termination.

Very truly yours,

Geo. Hillson
Assistant Director
Office of Defense Plants

Enclosure

The License Agreement referred to shall be considered as rescinded and terminated as of October 13, 1945. This 30th day of August, 1946. KES
MAGNAFLUX CORPORATION

By E. E. Betz Title
V-Pres.



RECONSTRUCTION FINANCE CORPORATION

WASHINGTON 25, D. C.

ORIGINAL
(Red)

Mr. Kenneth C. Royall
Under Secretary of War
War Department
Washington, D. C.

Attention: Major F. H. Otto
Contract and Facilities Division

Dear Sir:

There are enclosed herewith the original and one executed copy of your Department's letter of February 25, 1945, in connection with The Firestone Tire & Rubber Company, Akron, Ohio, Planter 154-B, supplementing your Department's letter of October 25, 1941, as amended, in connection with Jacobs Aircraft Engine Company, Pottstown, Pennsylvania, Planter 164.

I hereby certify that the Executive Committee of Reconstruction Finance Corporation on March 13, 1945, authorized the undersigned to accept the arrangement set forth in said letter.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of Reconstruction Finance Corporation this 13th day of March, 1945.

Secretary
Reconstruction Finance Corporation

WAR DEPARTMENT
OFFICE OF THE UNDER SECRETARY
WASHINGTON, D. C.

FEB 2 1946

Handwritten:
① *[Signature]*
② *[Signature]*

Reconstruction Finance Corporation,
Office of Defense Plants,
Lafayette Building,
311 Vermont Avenue, N.W.,
Washington, D. C.

Gentlemen:

1. This letter agreement is to supplement this Department's letter agreement with Defense Plant Corporation dated 22 October 1941, as amended and supplemented 13 April 1942, 4 May 1942, 3 November 1942, and 2 June 1943, with respect to the acquisition and establishment by DPC, and the lease to Jacobs Aircraft Engine Company of certain plant facilities at or near Pottstown, Pennsylvania, for the production of aircraft engines and aircraft engine parts, for the War Program.

2. Said letter agreement, as heretofore amended and supplemented, authorized Defense Plant Corporation to enter into a lease agreement with Jacobs Aircraft Engine Company dated 19 September 1941, and amendments thereto, and the expenditure by Defense Plant Corporation for the facilities covered by said lease agreement of an amount not exceeding \$2,327,995.77.

3. Reference is made to Public Law #109, 79th Congress, approved 30 June 1945, pursuant to which Defense Plant Corporation was dissolved, effective 1 July 1945, and all of its functions, powers, duties, and authority, together with its assets and liabilities of every nature and kind, were transferred to Reconstruction Finance Corporation, a corporation organized and existing under and by virtue of the laws of the United States (hereinafter called "RFC"), to be performed, exercised and administered by RFC in the same manner and to the same extent and effect as if originally vested in DPC. Accordingly, whenever in this letter or in the aforesaid letter agreement, dated 22 October 1941, or in any supplements and amendments thereto or whenever in the agreement of lease dated 19 September 1941, or in any amendments thereto, reference is made to Defense Plant Corporation, to Defense Corporation or to DPC, such reference shall be deemed to be made to RFC in the same manner and to the same effect as if said reference had originally been made to DPC and DPC had originally executed the said letter agreement and the said agreement of lease.

- 2 -

4. The lease agreement between HFC and Jacobs Aircraft Engine sometimes identified as Planco 16h, was cancelled and terminated with the consent of this Department, effective as of mid-night 28 February 1945.

5. It is the understanding of this Department that shortly thereafter, upon the sponsorship of the War Production Board and with the consent of the War Department, the real property within this project and a small amount of machinery and equipment was made available to Firestone Tire and Rubber Company for use in the production of truck tires. This project was identified as Planco 16h-A.

6. In July 1945, you were advised that, in view of the fact that it was understood that the utilization of Planco 16h-A for the production of tires was no longer required, this Department recommended that the facilities at Pottstown, Pennsylvania, exclusive of the machinery and equipment acquired by HFC under Planco 16h-A for the tire program, be made available for use by Firestone Tire and Rubber Company for the purpose of a Returned Material Center in which to process Ordnance Material returned from overseas and from Posts, Camps, and Stations. At the time said recommendation was made it was estimated that additional expenditures would be required in the amount of \$3,000,000 (later reduced to \$1,474,000) in order to convert the facilities for use as a Returned Material Center. It also was understood that reinstated credits and unexpended funds available under Planco 16h would be made available under the Returned Material Center project, (identified by you as Planco 16h-B), in an amount sufficient to cover the recommended additional expenditures of \$1,474,000. Pursuant to such recommendation, it is understood that HFC issued a Letter of Intent, on or about 24 July 1945, to Firestone Tire and Rubber Company, which, as supplemented or amended, authorized expenditures of \$1,474,000.

7. In view of the above, this Department's letter agreement dated 22 October 1941, as amended and supplemented, is further supplemented to provide that any commitments of the War Department contained in said letter agreement as heretofore amended and supplemented shall apply to expenditures made by you not only under the project identified as Planco 16h with Jacobs Aircraft Engine Company but also under the project identified by you as Planco 16h-B with Firestone Tire and Rubber Company, Inc., providing, however, that the expenditures made in connection with the latter project shall have been made from reinstated credits and unexpended funds available under the project identified as Planco 16h.

- 3 -

3. This letter is signed in triplicate by the War Department, acting under authority of the First War Powers Act, 1941, and Executive Order No. 9001. If the arrangement set forth therein is satisfactory to RFC, its acceptance thereof should be noted on each of the three copies executed by this Department and the bond original and one carbon should be returned, with a certificate of the Secretary (or Assistant Secretary) of RFC with respect to action taken by the Board of Directors of RFC regarding this proposed arrangement, in order that the records of this Department and of the General Accounting Office may be completed.

Approval recommended.

E. S. Hughes, Major General
Acting Chief of Ordnance

By: *D. J. Martin*
D. J. MARTIN, Col, Ord Dept.

A. G. Gillespie
A. G. GILLESPIE, Brig Gen, Ord Dept
Contracting Officer

Accepted: March 12, 1946
RECONSTRUCTION FINANCE CORPORATION

By: *A. H. H.*
Secretary
(Official Title)

APPROVED:
By direction of the Secretary of War

Kenneth C. Royall
Kenneth C. Royall
Under Secretary of War.

ORIGINAL
Reel

WAR DEPARTMENT
OFFICE OF THE UNDER SECRETARY
WASHINGTON, D. C.

DEC 3 1945

Reconstruction Finance Corporation,
Office of Defense Plants,
Lafayette Building,
311 Vermont Avenue, N.W.,
Washington, D. C.

Gentlemen:

Reference is made to facilities at or near Pottstown, Pennsylvania, originally established, upon the recommendation of this Department, for use in the production of aircraft engines and aircraft engine parts for the National Defense Program. These facilities were leased by Defense Plant Corporation, under a Lease Agreement dated 10 November 1941, as amended, identified as Planor 154, to Eagle Aircraft Engine Company, which lease was terminated, when the contract of this Department, effective as of 13 January 1945.

Reference is also made to:

(a) Letter to you from this Department, dated 20 March 1945, containing two Air Department's consent to the utilization of the plant included therein as project of the Westinghouse Pipe and Rubber Company for the production of military tires upon the recommendation of the War Production Board. It is understood that, on or about that time, a substantial portion of the machinery and equipment, acquired by you under Planor 154 for aircraft production, was transferred, upon the request of representatives of this Department, to other projects.

(b) Letters to you from this Department, dated 25 July 1945 and 22 September 1945 regarding use by Westinghouse Pipe and Rubber Company of two facilities at this project, other than the machinery and equipment acquired by you for military tire production, for the purpose of operating a returned materiel center, and later a tire control production center, for the Ordnance Department. It is understood that, in accordance with the recommendations contained in these letters, you have issued a letter of intent, as amended, to Westinghouse Pipe and Rubber Company, identified as Planor 154-1, authorizing expenditures of \$1,174,000 (from credits to Planor 154) to cover conversion costs.

(a) The above information, including number 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000.

It has been determined that the facilities now located at Pottstown, Pennsylvania, whether identified or not under number 104 or 104-7 are no longer required by the Government for any immediately foreseeable use.

In view of the foregoing, the Government desires its consent to the sale, lease or other disposition of the facilities upon such terms and conditions as may be determined by the Government in accordance with the public interest and subject to the usual and customary conditions.

It is understood that the Government of the War Department as set forth in letter agreement, dated at Pottstown, Pa., on December 10, 1945, shall not extend to any other facilities for additional facilities under number 104 or 104-7 after the date of the agreement. However, if it should be determined prior to the expiration of the agreement that the Government in the course of the project should require the facilities in the letter to 104-7 and under authority of the War Department, dated 15 August 1945.

Very truly yours,

[Signature]

Colonel, War. Dept.
Executive

ORIGINAL
(Red)WAR DEPARTMENT
OFFICE OF THE UNDER SECRETARY
WASHINGTON, D. C.

RECEIVED

DEFENSE PLANT
CORPORATION

20 March 1945.

MAR 27 11 07 AM

Defense Plant Corporation,
Lafayette Building,
311 Vermont Avenue, N.W.,
Washington, D. C.

Gentlemen:

Reference is made to Lease Agreement dated 19 September 1941, as amended, between Defense Plant Corporation and Jacobs Aircraft Engine Company, identified by you as Plancor 164, relating to facilities at or near Pottstown, Pennsylvania, established for use in the production of aircraft engines and aircraft engine parts for the war program.

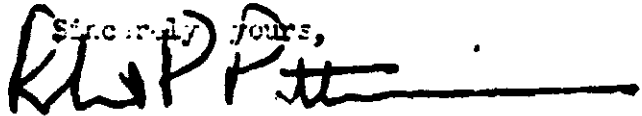
By letter dated 21 February 1945, the War Department approved an Agreement of Cancellation and Termination of said Lease Agreement.

As you know, the Army Air Forces and the War Production Board arrived at an agreement in January of this year, whereby the real property included within this project is to be utilized by the Firestone Tire and Rubber Company, in the production of military tires; also War Department representatives have requested transfer of a large part of the machinery and equipment included within this project for use in other Army Air Forces and Ordnance projects. There is attached copy of memorandum dated 19 March 1945 for the Under Secretary of War from the Deputy Director, Production Division, Headquarters, Army Service Forces, containing additional information with regard to the disposition of the machinery and equipment included in this project.

The War Department gives its consent to the sale, lease or other disposition by you of the machinery and equipment concerning which War Department representatives have made no specific requests for disposition upon such terms and conditions as may be determined by you in accordance with the public interest and applicable laws and regulations. In the event that other facilities in this project are hereafter required by this Department, it is contemplated that representatives of this Department will negotiate with Defense Plant Corporation with regard thereto.

It is understood that commitments of the War Department as set forth in letter agreement with you dated 22 October 1941, as supplemented and amended, will not extend to your expenditures for additional productive facilities at this project, excepting those made pursuant to commitments incurred prior to your receipt of this letter.

Sincerely yours,

ROBERT F. PATTERSON,
Under Secretary of War.

Attachment

R
m

ORIGINAL
(Red)

WAR DEPARTMENT
OFFICE OF THE UNDER SECRETARY
WASHINGTON, D. C.

20 March 1945.

RECEIVED
DEFENSE PLANT
CORPORATION

MAR 25 11 07 AM

Defense Plant Corporation,
Lafayette Building,
111 Vermont Avenue, N.W.,
Washington, D. C.

Gentlemen:

Reference is made to Lease Agreement dated 17 September 1941, as amended, between Defense Plant Corporation and Jacobs Aircraft Engine Company, identified by you as Plancor 104, relative to facilities at or near Pottstown, Pennsylvania, established for use in the production of aircraft engines and aircraft engine parts for the war program.

By letter dated 21 February 1945, the War Department approved an Agreement of Cancellation and Termination of said Lease Agreement.

As you know, the Army Air Forces and the War Production Board arrived at an agreement in January of this year, whereby the real property included within this project is to be utilized by the Firestone Tire and Rubber Company, in the production of military tires; also War Department representatives have requested transfer of a large part of the machinery and equipment included within this project for use in other Army Air Forces and Ordnance projects. There is attached copy of memorandum dated 19 March 1945 for the Under Secretary of War from the Deputy Director, Production Division, Headquarters, Army Service Forces, containing additional information with regard to the disposition of the machinery and equipment included in this project.

The War Department gives its consent to the sale, lease or other disposition by you of the machinery and equipment concerning which War Department representatives have made no specific requests for disposition upon such terms and conditions as may be determined by you in accordance with the public interest and applicable laws and regulations. In the event that other facilities in this project are hereafter required by this Department, it is contemplated that representatives of this Department will negotiate with Defense Plant Corporation with regard thereto.

It is understood that commitments of the War Department thus set forth in letter agreement with you dated 22 October 1941, as supplemented and amended, will not extend to your expenditures for additional productive facilities at this project, except in those cases pursuant to commitments incurred prior to your receipt of this letter.

Attachment

Very truly yours,
R. W. P. H.
R. W. P. H.
Under Secretary of War.

R
W

ORIGINAL
MAR 3 1945Planner - 164
Jacobs Aircraft Engine CompanyAGREEMENT OF CANCELLATION AND TERMINATION

THIS AGREEMENT made and entered into this 20th day of February A.D. 1945, by and between DEFENSE PLANT CORPORATION (hereinafter referred to as "Defense Corporation"), a corporation created by Reconstruction Finance Corporation pursuant to Section 5d of the Reconstruction Finance Corporation Act, as amended, to aid the Government of the United States (hereinafter sometimes called the "Government"), in its National Defense Program, and JACOBS AIRCRAFT ENGINE COMPANY (hereinafter called "Lessee"), a corporation organized and doing business under the laws of the State of Pennsylvania,

WITNESSETH:

WHEREAS, Agreement of Lease dated September 19, 1941, as amended, was entered into by and between Defense Corporation and Lessee, covering site, buildings, machinery and equipment and for additional machinery and equipment for use in Lessee's existing plant, for the manufacture and furnishing of aircraft engines and aircraft engine parts for the Government, in the interest of the National Defense Program; and

WHEREAS, said Agreement of Lease, as amended, provides, among other things, that the maximum amount which Defense Corporation should be required to expend thereunder should not exceed Twenty-one Million, Nine Hundred Seventeen Thousand, Nine Hundred Fifty-five Dollars and Ninety-seven Cents (\$21,917,955.97), and the War Department advised that the establishment of an additional plant for the manufacture and furnishing of such products at or near Pottstown, Pennsylvania, and the acquisition of additional machinery and equipment for use in said plant and in Lessee's existing plant was, in its opinion, necessary in the interest of National Defense; and

WHEREAS, the War Department has now advised that the project is no longer required for the manufacture and furnishing of such aircraft engines and aircraft engine parts, and has consented to the cancellation and termination of said Agreement of Lease, as amended; and

WHEREAS, Lessee has agreed to the cancellation and termination of said Agreement of Lease, as amended.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, it is agreed by and between the parties hereto as follows:

1. Said Agreement of Lease entered into on September 19, 1941, as amended, by and between Defense Corporation and Lessee, is hereby canceled and terminated,

ORIGINAL
(Red)

(Agreement of Cancellation and Termination)
Planner - 164
Jacobs Aircraft Engine Company

- 2 -

effective as of midnight February 28, 1945, and Lessee agrees to forthwith yield and place Defense Corporation in peaceful possession of the site and buildings, and all of the machinery and equipment acquired under said Agreement of Lease, as amended, in good state of repair (ordinary wear and tear excepted), and free and clear of any liens and claims other than those resulting from claims against Defense Corporation.

2. All options, rights and privileges of every kind and character granted to said Lessee by said Agreement of Lease, as amended, including, without limitation, all options, rights and privileges arising under the provisions of Paragraph FIFTEEN thereof, are hereby canceled and terminated with the same effect as though said options, rights and privileges had never existed.

3. Lessee shall pay or reimburse Defense Corporation for the proportionate amount of taxes applicable to the period prior to the effective date of termination, and likewise Defense Corporation shall pay to or reimburse Lessee for the proportionate amount of taxes heretofore paid by Lessee applicable to the period subsequent to the effective date of termination of said Agreement of Lease, as amended.

4. Lessee shall make available to Defense Corporation and the War Department for audit and inspection for a period of one year, or until February 28, 1946, its records pertaining to the Construction Program and the Acquisition Program, as defined in said Agreement of Lease, as amended, and the operations of the Plant and any of the machinery.

5. Defense Corporation and Lessee hereby waive all notice of cancellation and termination of said Agreement of Lease, as amended, as therein provided.

ORIGINAL
(Red)

(Agreement of Cancellation and Termination)
Planear - 164
Jacobs Aircraft Engine Company

- 3 -

IN WITNESS WHEREOF, the parties hereto have caused their corporate seals to be hereunto affixed, and these presents to be signed by their duly authorized officers the day and year first above written.

Executed in the presence of:

Mary E. Nugent
Paul E. Kenece

DEFENSE PLANT CORPORATION

By Frank J. Roman
Vice President

Attest: Thomas Kelly
Assistant Secretary

Executed in the presence of:

Walter Rader
Michael L. Jorum

JACOBS AIRCRAFT ENGINE COMPANY

By Walter Rader
President

Attest: Kenneth N. Thompson
Assistant Secretary

CITY OF WASHINGTON)
DISTRICT OF COLUMBIA) SS

On this 2nd day of March, A.D. 1945, before me, a Notary Public in and for the District of Columbia, appeared Frank J. Roman and Thomas Kelly to me personally known, who being by me sworn, did each for himself say that they are respectively the Vice President and the Assistant Secretary of Defense Plant Corporation, the corporation named in and which executed the within instrument, and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said Frank J. Roman and Thomas Kelly acknowledged said instrument to be the free act and deed of said corporation.

William E. Eubank
Notary Public, District of Columbia
My commission expires June 30, 1949

COUNTY OF MONTGOMERY)
STATE OF PENNSYLVANIA) SS

On this 20th day of February, A.D. 1945, before me, a Notary Public in and for the County of Montgomery, appeared J. Story Smith and Kenneth N. Thompson, to me personally known, who being by me sworn, did each for himself say that they are respectively the Vice-President and the Assistant Secretary of Jacobs Aircraft Engine Company, the corporation named in and which executed the within instrument, and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said J. Story Smith and Kenneth N. Thompson acknowledged said instrument to be the free act and deed of said corporation.

Catherine D. Corbett
Notary Public
My commission expires March 10, 1945



Memorandum

DEFENSE PLANT CORPORATION
WASHINGTON 25, D. C.

ORIGINAL
(Recd)

Office
Sullivan

January 27, 1945

The Firestone Tire & Rubber Company
1230 Firestone Parkway
Akron, Ohio

Gentlemen:

Re: Planer 164-A

In order to aid the Government of the United States in its National Defense Program, and particularly in order to provide additional facilities for the manufacture of heavy duty military tires, tubes, flaps, bogies and airbags, you are hereby authorized to enter upon the premises (which said premises shall be deemed to include the plant site together with buildings located thereon and leasehold and/or building improvements) acquired by Defense Plant Corporation under an agreement of lease with Jacobs Aircraft Engine Company, dated September 19, 1941 (Planer 164), as amended, to proceed with necessary alterations to or modifications of the existing buildings and the rearrangement and installation of machinery and equipment therein.

It is contemplated that the said plant site, buildings, leasehold and/or building improvements so required and constructed by this Corporation under Planer 164 together with certain additional machinery and equipment to be acquired for use in connection therewith will be made available to you for the production of heavy duty military tires, tubes, flaps, bogies and airbags under an appropriate form of agreement of lease between your Company and this Corporation, to be designated as Planer 164-A, which shall contain, among other things, the following terms and conditions:

1. Term: The Lease shall be for a period of five years with an automatic extension of two years but may be terminated by Defense Plant Corporation or The Firestone Tire & Rubber Company at any time upon ten (10) days prior written notice if substantial use of the said facilities by The Firestone Tire & Rubber Company shall be no longer required to enable The Firestone Tire & Rubber Company to furnish the Government of the United States with products required by it or to furnish suppliers of the said Government with products in order to enable such suppliers to perform contracts with the said Government;

2. Rent: Rent for the use of the land, buildings and any machinery and equipment which this Corporation may acquire and provide in connection with this Project shall be computed on the basis of 2% quarterly on Defense Plant Corporation's expenditures for land and buildings and 5% quarterly on Defense Plant

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DEFENSE PLANT CORPORATION
WASHINGTON 25, D. C.

Page 2
January 7, 1945
The Firestone Tire & Rubber Company

Construction of structures for machinery and equipment. The rent shall commence to accrue upon the aforementioned date. The plant shall be in initial operation. The Firestone Tire & Rubber Company shall furnish to Defense Plant Corporation, for approval, a map or site plan containing a description of the plant site, buildings and the location and/or use of the same to be owned or used by The Firestone Tire & Rubber Company from December 1944;

3. Use of Facilities: The Agreement of Lease shall provide that the land, buildings and any machinery and equipment which may be provided thereunder shall be used by The Firestone Tire & Rubber Company in the manufacture and furnishing of heavy duty military tires, tubes, flaps, bogies and airbags and other products for sale to others;

4. Other Provisions: The Agreement of Lease shall contain the standard provisions of Defense Plant Corporation's Agreement of Lease including, but not limited to, provisions relating to the cancellation thereof, to the payment of taxes, to insurance, to indemnity against liability of Defense Plant Corporation because of accidents or injury to persons or property occurring in the operation of the plant, or in the use of any machinery and equipment which may be provided thereunder, and to the care and maintenance of the land, buildings, machinery and equipment, but excluding all other and other reserve rights to The Firestone Tire & Rubber Company.

The execution of this Agreement, and the use of the facilities provided by The Firestone Tire & Rubber Company shall constitute an acceptance by it of the foregoing terms and conditions of the Agreement of Lease between Defense Plant Corporation and The Firestone Tire & Rubber Company under December 1944-45.

It is understood that Jacobs Aircraft Engine Company is now occupying and using the premises upon which The Firestone Tire & Rubber Company is authorized to enter and will continue to occupy and use said premises until its present supply contracts are completed and the foregoing authorization is further conditioned upon The Firestone Tire & Rubber Company making satisfactory arrangements with Jacobs Aircraft Engine Company, respecting the use and occupancy of said premises, during such period as Jacobs Aircraft Engine Company may remain thereon.

Very truly yours,

John A. Kingsbrun
Executive Vice President

Manfred J. ...

Jacobs Aircraft
(Amendatory #2)
(Plancor 164)

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AGREEMENT AMENDING AGREEMENT OF LEASE

THIS AMENDATORY AGREEMENT, made and entered into this 9th day of June, 1943, by and between Defense Plant Corporation (hereinafter referred to as "Defense Corporation"), a corporation created by Reconstruction Finance Corporation pursuant to Section 5d of the Reconstruction Finance Corporation Act, as amended, to aid the Government of the United States in its National Defense Program, and Jacobs Aircraft Engine Company (hereinafter called "Lessee"), a corporation organized and doing business under the laws of the Commonwealth of Pennsylvania;

WITNESSETH:

WHEREAS, an Agreement of Lease dated September 19, 1941, as amended by Agreement Amending Agreement of Lease, dated May 7, 1942, was entered into by and between Defense Corporation and Lessee covering the lease by Defense Corporation to Lessee of certain facilities for the purpose of enabling Lessee to increase production and to extend its capacity for the production of aircraft engines and aircraft engine parts for the Government in connection with the National Defense Program; and

WHEREAS, said Agreement of Lease, as amended, provides, among other things, that the maximum amount which Defense Corporation shall be required to expend thereunder for the acquisition of facilities leased to Lessee as aforesaid, shall not exceed Twenty Million Nine Hundred Forty-five Thousand One Hundred Seventy-one Dollars (\$20,945,171); and

WHEREAS, Lessee has advised that due to the necessity of further expanding its capacity for the production of aircraft engines and aircraft engine parts, said amount is insufficient and has requested that said maximum amount be increased by Nine Hundred Seventy-two Thousand Seven Hundred Eighty-four Dollars and Ninety-seven Cents (\$972,784.97); and

WHEREAS, the War Department has advised that the increase as requested by Lessee as aforesaid, has its approval;

NOW, THEREFORE, in consideration of the premises it is agreed by and between the parties hereto that said Agreement of Lease dated September 19, 1941, by and between Defense Corporation and Lessee, as amended, be and the same hereby is further amended in the following particulars:

By striking therefrom paragraph TEN and substituting in lieu and in place of said paragraph TEN the following paragraph TEN:

TEN: Notwithstanding any other provision herein contained, the maximum amount which Defense Corporation shall be required to expend hereunder shall not exceed Twenty-one Million Nine Hundred Seventeen Thousand Nine Hundred Fifty-five Dollars and Ninety-seven Cents (\$21,917,955.97); provided, however, that nothing contained in this Agreement of Lease shall be construed as a guarantee by Lessee that the plant site can be acquired and the Construction and Acquisition Programs completed at a cost not in excess of such amount, nor as obligating Lessee to pay any part of such cost.

IN WITNESS WHEREOF, the parties hereto have caused their corporate seals to be hereunto affixed, and these presents to be signed by their duly authorized officers the day and year first above written.

Attest:

[Signature]
Secretary

DEFENSE PLANT CORPORATION

By [Signature]
President

Attest:

[Signature]
Secretary

JACOBS AIRCRAFT ENGINE COMPANY

By [Signature]
President

DISTRICT OF COLUMBIA: SS

On this 12th day of June, A. D. 1943, before me, a Notary Public in and for the District of Columbia, appeared _____ and _____ to me personally known, who being by me sworn, did each for himself say that they are respectively the _____ President and the Secretary of Defense Plant Corporation, the corporation named in and which executed the within instrument, and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____ and _____ acknowledged said instrument to be the free act and deed of said corporation.

[Signature]
Notary Public, District of Columbia
My commission expires: _____, 1943

COMMONWEALTH OF PENNSYLVANIA)
COUNTY OF MONTGOMERY) SS

On this 9th day of June, A. D. 1943, before me, a Notary Public in and for the County of Montgomery, appeared [Signature] and _____

J. Stouy Smith, to me personally known, who being by me sworn, did
each for himself say that they are respectively the President and the
Secretary of Jacobs Aircraft Engine Company, the corporation named in and which exe-
cuted the within instrument, and that the seal affixed to said instrument is the
corporate seal of said corporation, and that said instrument was signed and sealed
in behalf of said corporation by authority of its Board of Directors, and said
J. Stouy Smith and J. Stouy Smith acknowledged said
instrument to be the free act and deed of said corporation.

J. Stouy Smith
Notary Public for:
My commission expires:

My Commission Expires Dec 12, 1945

WAR DEPARTMENT
OFFICE OF THE UNDER SECRETARY
WASHINGTON, D. C.

2 June 1943

Defense Plant Corporation
Lafayette Building
811 Vermont Avenue, N. W.
Washington, D. C.

Gentlemen:

1. This letter agreement is to supplement this Department's letter agreement with Defense Plant Corporation (hereinafter called "DPC") dated October 22, 1941, as amended and supplemented April 13, 1942, May 4, 1942, and November 3, 1942, with respect to the acquisition and establishment by DPC, and the lease to Jacobs Aircraft Engine Company (hereinafter called "Jacobs"), of certain plant facilities at or near Pottstown, Pennsylvania for the production of aircraft engines and aircraft engine parts, for the War Program.

2. In consideration of the execution by DPC of an agreement with Jacobs in the form hereto annexed, amending its agreement of lease with Jacobs dated September 19, 1941, as amended May 7, 1942, and covering the making of additional expenditures by DPC in connection with such facilities and the acquisition and establishment of additional facilities in the maximum amount of \$972,784.97, deemed by this Department to be necessary in the interests of national defense, this Department agrees to supplement, and does hereby supplement, its aforesaid letter agreement with DPC dated October 22, 1941, as heretofore amended, as follows:

- (a) promptly upon receipt of evidence of the signing and delivery by DPC of the aforesaid amendment of its agreement of lease, this Department will pay to DPC the sum of \$486,393, which is one-half of the aforesaid maximum increase approved;
- (b) there shall be included in the interest payable under paragraph 1(b) of our supplemental letter agreement dated November 3, 1942, interest on the expenditures for which payment is made under paragraph 2(a) hereof, from the date or dates of the making thereof to the date of such payment, and for the purpose of computing such interest and all other interest provided for by said paragraph 1(b), the first expenditures made by DPC in accordance with its aforesaid lease agreement, for which reimbursement or payment has not previously been made by this Department, shall be deemed to be effect by the payment made under paragraph 2(a) hereof;

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Defense Plant Corporation
(Jacobs Aircraft Engine Company)

6/2/43

- 2 -

(c) the provisions of subparagraphs (b), (c), and () of paragraph 1 of our supplemental letter agreement dated November 3, 1942, and the provisions of paragraph 1 of the original letter agreement of October 22, 1941, as amended, shall be applicable to our entire agreement with respect to this project, including this and any subsequent supplements or amendments, with the following modifications in said paragraph 1:

- (1) in subparagraph (c), the reference to paragraph 3 (b) shall constitute reference to paragraph 1(b) of the aforesaid supplemental letter agreement dated November 3, 1942;
- (2) in subparagraph (c), the words and figures Twenty-one Million Nine Hundred Seventeen Thousand Nine Hundred Fifty-five Dollars and Ninety-seven Cents (\$21,917,955.97), shall be substituted for and in place of the words and figures Twenty Million Nine Hundred Forty-five Thousand One Hundred Seventy-one (\$20,945,171) Dollars.

3. This letter is signed in triplicate by the War Department, acting under authority of the First War Powers Act, 1941, and Executive Order No. 9001. If the arrangement set forth therein is satisfactory to DPC, its acceptance thereof should be noted on each of the three copies executed by this Department and the bond original and one carbon should be returned, with a certificate of the Secretary (or Assistant Secretary) of DPC with respect to action taken by the Board of Directors of DPC regarding this proposed arrangement, in order that the records of this Department and of the General Accounting Office may be completed.

Approval recommended:

W. F. Volandt
W. F. VOLANDT
Colonel, Air Corps
Chief, Procurement Branch
Material Division

W. F. Volandt
W. F. VOLANDT, Colonel, Air Corps
Contracting Officer

Accepted: JUN 14 1943
DEFENSE PLANT CORPORATION

APPROVED: June 7, 1943
By direction of the Secretary of War

Robert P. Patterson
Vice President
(Official Title)

Robert P. Patterson
ROBERT P. PATTERSON
Under Secretary of War

B.

THIS AGREEMENT made this sixth day of January, A. D. 1943,
between JACOBS AIRCRAFT ENGINE COMPANY, of Pottstown, Montgomery County,
Pennsylvania, incorporated and existing under the Laws of the
Commonwealth of Pennsylvania, (hereinafter called the "Lessor") and
ROBERT F. MILLER, Trading as Pottstown Manufacturing Company, of South
Pottstown, Chester County, Pennsylvania, (hereinafter called the "Lessee").

W I T N E S S E T H : -

WHEREAS, an Agreement of Lease was entered into on the 19th
day of September 1941 by and between Defense Plant Corporation and the
Lessor, and amended by agreement between them dated the 7th day of May
1942, covering the lease by Defense Plant Corporation to the Lessor of
certain facilities for the purpose of enabling the Lessor to increase
production and to extend its capacity for the production of aircraft
engines and aircraft engine parts for the Government in connection with
the War program; and

WHEREAS, said Agreement of Lease provided among other things
that the Lessor may, with the approval of Defense Plant Corporation and
the War Department, lease or lend to any supplier any items of machinery
and equipment included in the facilities the lease or loan of which Lessor
may deem necessary for the performance by it of its contracts with the
Government; and

WHEREAS, Lessor has entered into a contract with Lessee
wherein the Lessee has agreed to supply certain materials necessary for the
Lessor to perform its contracts with the Government; and

WHEREAS, the Lessee, in order to perform and fulfill its
contracts with the Lessor, requires the use of certain machinery and

equipment included in the facilities covered by the Agreement of Lease between Defense Plant Corporation and the Lessor above referred to; and

WHEREAS, Defense Plant Corporation and the War Department have approved, in writing, the lease by the Lessor to the Lessee of the machinery and equipment hereinafter referred to under the terms and conditions of this agreement.

NOW, THEREFORE, in consideration of the promises and covenants herein contained, it is agreed by and between the parties hereto, as follows:

1. Lessor does hereby lease and hire unto said Lessee certain items of machinery and equipment listed on Schedule No. 1 attached hereto and made part hereof by reference.

2. Lessee hereby covenants and agrees that it will take good care of the said machinery and equipment and will not, without the written consent of Lessor, sell or hire or in any manner encumber the same or in anywise part with the possession thereof.

3. Lessee agrees that it will not use the said machinery and equipment except for the production of parts and equipment for use in supplies for ultimate purchase by the Government.

4. The use of the machinery and equipment by Lessee for the production of parts and equipment for others than Lessor, and for Lessor other than for use in the manufacture by Lessor of items contemplated by the aforesaid Agreement of Lease, shall not in any way interfere with the production of parts and equipment for the Lessor for such use.

5. In the event that the Lessee uses any items of said machinery and equipment for the production for others than Lessor, or for Lessor other than for use in the manufacture of items contemplated by the

aforesaid Agreement of Lease, the Lessee shall pay to Defense Plant Corporation, through Lessor, as rental for each item so used for each day or portion thereof it is so used, an amount equal to 1/30th of one per cent. (1%) of the cost to Defense Plant Corporation of such item of machinery or equipment. The cost to Defense Plant Corporation of said item of machinery or equipment shall be furnished by Lessor to Lessee.

6. Lessee agrees to furnish to Lessor on the Tenth day of each month either (1) a statement that the machinery or equipment leased to it has been used in the preceding month for production only for the Lessor for use in the manufacture by Lessor of items contemplated by the aforesaid Agreement of Lease; or (2) a statement showing the number of days or portions thereof during the preceding month any items of machinery or equipment were not so used, specifying the items; such statement to be accompanied by payment of the rental due to Defense Plant Corporation for such use.

7. Lessee agrees to keep accurate records of the number of days on which the machinery and equipment is used for production for any one other than the Lessor, or for the Lessor for other than the use in the manufacture by Lessor of items contemplated by the aforesaid Agreement of Lease, and will make such records available for inspection by Lessor or by Defense Plant Corporation at all reasonable times during the continuance of this agreement or for one (1) year thereafter.

8. Lessee agrees not to include any charge, including amortization and depreciation, in the item or items of machinery and equipment so leased to it other than maintenance, in the price of any product manufactured through the use of said machinery and equipment and furnished to the Lessor for use in the manufacture by Lessor of items contemplated by the aforesaid Agreement of Lease, and it will not include any such

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charge, other than maintenance and rental as herein provided, in the price of any product manufactured through the use of such machinery and equipment and furnished to any one other than the Lessor, or to the Lessor for use other than in the manufacture by Lessor of items contemplated by the aforesaid Agreement of Lease.

9. Lessee and Lessor agree that the machinery and equipment covered by this agreement shall at all times remain personal property, notwithstanding that it may be affixed or attached to real estate.

10. Lessee agrees to save Defense Plant Corporation and Lessor harmless against any liability whatsoever, by reason of accidents or injury to persons or property occurring in the operation or use of machinery by the Lessee.

11. Lessee agrees that Defense Plant Corporation and the Lessor shall have the right of access to its premises for the purpose of inspecting, servicing, and, at the end of the term of this agreement, of removing all machinery and equipment covered by this agreement.

12. This agreement is expressly made subject to all the applicable terms and conditions of the aforesaid Agreement of Lease dated September 19, 1941 as now or hereafter amended.

13. The Lessee agrees that the Lessor shall have the right to terminate this agreement and remove the machinery and equipment from the premises of Lessee at any time upon written notice to the Lessee.

IN WITNESS WHEREOF, the parties hereto have hereunto affixed their corporate names and seals, duly attested by their respective proper officers, the day and year first above written.

JACOBS AIRCRAFT ENGINE COMPANY	
ATTEST: <u>George P. Presser</u> Secretary	<u>AB</u> Vice-President (SEAL)
ROBERT F. MILLER, Trading As POTTSTOWN MANUFACTURING COMPANY	
ATTEST: <u>Grant E. Wesner</u> Secretary	By <u>R. F. Miller</u> (SEAL)

SCHEDULE No. 1

<u>Quantity</u>	<u>Description</u>	<u>Inventory No.</u>
1	EM-59 Hardinge High Speed Precision Second Operation Machine, with Standard Equipment, with 440 Volt, 60 Cycle, 3 Phase, A.C., Fan-Cooled, Ball Bearing Motor and Switch. Floor Type Weight Feeds for EM-59 Hardinge H. S. Precision Second Operation Machine.	60820
1	EM-59 Hardinge High Speed Precision Second Operation Machine, with Standard Equipment, with 440 Volt, 60 Cycle, 3 Phase, A.C., Fan-Cooled, Ball Bearing Motor and Switch. Floor Type Weight Feeds for EM-59 Hardinge H. S. Precision Second Operation Machine.	60819

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FINAL REPORT
POTENTIALLY RESPONSIBLE PARTY SEARCH
OCCIDENTAL CHEMICAL CORPORATION SITE
MONTGOMERY COUNTY, PA
(WORK ASSIGNMENT NO. 23)

Contract 68-01-7321
(RAI Project No. 861181-23)

April 2, 1987

Prepared for:



U. S. ENVIRONMENTAL PROTECTION AGENCY
REGION III

Prepared by:

RESOURCE APPLICATIONS, INC.
Engineers - Scientists - Planners
9291 Old Keene Mill Road
Burke, VA 22015
703/644-9770

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APPENDICES

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ATTACHMENTS

ATTACHMENTS IA & IB PADER DOCUMENTS

ATTACHMENT II TITLE SEARCH DOCUMENTS
BUSINESS INFORMATION REPORTS,
DUN & BRADSTREET, INC.
MISCELLANEOUS DOCUMENTS

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INTRODUCTION

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I. INTRODUCTION

A. Project Background

The Occidental Chemical Corporation Site is located in Montgomery County (Lower Pottsgrove Township) on a meander loop of the Schuylkill River, about 30 miles northeast of Philadelphia, PA. The City of Pottstown lies a few miles upstream of the site. On a 213-acre site, Occidental Chemical Corporation (OCC) operates a facility to manufacture polyvinyl chloride (PVC) resins from vinyl chloride, vinyl acetate and maleate monomers. Wastes from PVC production have been deposited in a number of disposal facilities; these include: an inactive 17-acre landfill (also referred to as the completed landfill in this report); an active 7-acre landfill; four inactive, unlined seepage lagoons; and two active, lined lagoons. The entire disposal site is located within the 100-year flood plain. ?

In 1942, Jacobs Aircraft Engine Company (JAEC) started using the inactive landfill as an open dump for disposing of waste cutting oils and metal filings generated from its operations. JAEC operated a machine shop for the production of aircraft engines at the site until late 1944.

In 1945, Firestone Tire & Rubber Company (FTR) leased the property from the Defense Plant Corporation (a federal corporation) and subsequently purchased it on April 14, 1951. From 1945 to 1970, FTR operated the now inactive landfill as an open dump. During that period, FTR used the dump for disposal of such wastes as tires, rubber, refinery wastes, pigments, zinc oxide, sulfur dioxide scrubber wastes, rubber flashing and sludge resins. In 1970, FTR converted the open dump into a landfill operation. In early 1971, the Pennsylvania Department of Environmental Resources (PADER) estimated that the landfill received an average of 33 tons of refuse per day, including 6 tons per day of scrap PVC resins. *who disposed of waste in the "open" dump waste structure?*

The four unlined seepage lagoons were periodically dredged and resulting material disposed of in the landfill. These lagoons (now inactive) received PVC waste from 1945 until 1974. In 1974, two additional lined lagoons were constructed to receive and pretreat the PVC wastewater prior to discharging it into the Borough's sewerage system.

In 1974, FTR submitted an application to PADER for the expansion of its landfill. PADER informed FTR that some type of leachate control system would be necessary prior to approval of the landfill expansion. Subsequently, FTR decided that leachate control could be achieved more cost-effectively by controlling groundwater flow in the area rather than by lining the existing and enlarged landfill. To evaluate the viability of this scheme,

FTR retained Martin & Martin, Inc., to conduct a hydrogeologic investigation at the site. This study included drilling of four deep wells into bedrock, and 22 monitoring wells adjacent to the landfill site and the six lagoons. The study proposed utilizing on-site deep production wells to prevent off-site migration of leachate.

In 1980, FTR closed the tire manufacturing plant. In December 1980, the entire facility was sold to Hooker Chemicals and Plastics Corporation. Soon after, Hooker became the Occidental Chemical Corporation.

A TCE spill occurred in 1984, and high levels of TCE were subsequently discovered in on-site process water wells. A year later, Occidental closed the inactive landfill. The primary concern at this site is contamination of groundwater by PVC and TCE. About 14,522 persons located within a three-mile radius of the site may be at risk, since their water supply is derived from a local groundwater aquifer.

As a result of prior activities at the site, cleanup of groundwater has become necessary, and EPA has initiated remedial actions. Technical studies, including a site inspection and a Hazard Ranking System (HRS) evaluation, have been prepared by NUS Corporation (Reference 1).

B. Objective

The major objective of this work assignment was to identify parties potentially responsible for contamination at the Occidental Chemical Corporation Site. The Scope of Work outlined in the Work Assignment was as follows:

Phase I

1. Review relevant EPA, state, county, township and local files and obtain relevant documents.
2. Conduct a title search and acquire copies of the deed and tax maps.
3. Obtain names and addresses of persons knowledgeable of site activities; interview such individuals and analyze information obtained for identification of PRPs.
4. Analyze documents and information obtained on site activities and identify PRPs.
5. Assist EPA in sending 104(e) letters to identified PRPs.
6. Research corporate history and financial status of PRPs.
7. Prepare a Draft PRP Report and submit it to EPA.

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Phase II

8. Analyze 104(e) letter responses and provide recommendations concerning identified and additional PRPs.
9. Study EPA's review comments.
10. Incorporate RAI's recommendations and EPA's review comments in the Final PRP Report and submit it to EPA.

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7 : PROJECT APPROACH

II. PROJECT APPROACH

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To achieve the objectives outlined in Section I, RAI carried out a series of tasks which included: case file reviews; site file reviews; record searches at the state, county and township levels; interviewing knowledgeable public and private individuals; corporate status/history reviews; assistance in writing 104(e) letters; and evaluation of responses. Outlined below are the major activities for completion of this assignment:

1. **Discussions with Work Assignment Manager.** RAI has discussed the progress of the project, on a regular basis, with Mr. Francisco Barba, EPA's Work Assignment Manager.

2. **Review and Analysis of EPA Files.** RAI reviewed EPA files concerning the Occidental Chemical Site and obtained photocopies of relevant documents. The documents have been carefully analyzed and two PRPs have been identified (RAI's letter of January 8, 1987, Appendix B).

3. **Contact State and Local Officials.** RAI contacted the following PADER and local officials:

- Mr. Thomas Sheehan
Solid Waste Specialist
PADER
Ridley Creek State Park
Route 6, Sycamore Mills Road
Media, PA 19063
215/565-1687
- Mr. Lawrence H. Lunsik
Solid Waste Facilities Supervisor
PADER
1875 New Hope Street
Norristown, PA 19401
215/270-1941
- Mr. Walter Stanley
PADER
1875 New Hope Street
Norristown, PA 19401
215/270-1941
- Ms. Barbara Bish
PADER
1875 New Hope Street
Norristown, PA 19401
215/270-1941

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- Mr. John N. Gaat
Montgomery County Planning Commission
Courthouse, 1 Montgomery Plaza
Swede & Airy Streets
Norristown, PA 19404
215/270-1920
- Mr. Drew Shaw
Environmental Planner
Montgomery County Planning Commission
Courthouse, 1 Montgomery Plaza
Swede & Airy Streets
Norristown, PA 19404
215/278-3733
- Mr. Gerald G. Richards
President, Board of Commissioners
Township of Lower Pottsgrove
P.O. Box 11
Saratoga, PA 19464
215/323-0436
- Mr. Raymond Umstead
Manager
Township of Lower Pottsgrove
P.O. Box 11
Saratoga, PA 19464
215/323-0436
- County Clerk
Recorder of Deeds
Montgomery County Courthouse
1 Montgomery Plaza
Swede & Airy Streets
Norristown, PA 19404
215/278-3289
- Mr. Thomas J. Harwood, Jr.
Manager
Borough Hall, 241 King Street
Pottstown, PA 19464
215/326-3100

4. Review State and Local Files. On January 14, 1987, RAI personnel attended a meeting with the PADER officials in Norristown, PA, and reviewed files from 1971 onward concerning Occidental Chemical Corporation. RAI Project Team met again with Mr. Drew Shaw, Montgomery County Planning Commission, Norristown, on January 22, 1987, and reviewed the Commission's files concerning the site. Relevant documents were photocopied and brought to RAI's office for further analysis.

5. **Review Site Files.** RAI Project Team visited the office of the Township of Lower Pottsgrove on January 23, 1987, and reviewed local records. Copies of relevant documents were brought to the RAI office for further analysis and identification of responsible parties.

6. **Interview knowledgeable individuals.** RAI conducted telephone interviews with knowledgeable individuals. Persons interviewed included officials of PADER; Montgomery County; Township of Lower Pottsgrove; Pennsylvania Fish Commission; U.S. Coast Guard, Philadelphia; and downstream water users (Keystone Water Company, Phoenixville Water Company, Philadelphia Water, and Citizens Utilities Home Water Company).

RAI also held discussions with Mr. Alfred B. Miles (address: 1181 Mulberry Street, Pottstown, PA 19466; tel: 215/323-3762), ex-employee of Jacobs Aircraft Engine Company (defunct corporation, identified as PRP; see RAI's letter of January 8, 1987, Appendix B).

7. **Title Search.** RAI conducted a title search in the office of the Recorder of Deeds, Montgomery County, Norristown, PA, and located relevant deeds. Copies of deeds, leases, tax maps and current assessed value of the property were obtained to serve as documentary evidence.

8. **Corporate History/Status.** RAI has developed information on current corporate status of the identified PRPs through the use of information sources such as:

- **Secretary**
Department of State, Corporation Bureau
Room 308, North Office Building
Harrisburg, PA 17120
717/787-1057
- **Dun & Bradstreet, Inc.**
Credit Services
1 Diamond Hill Road
Murray Hill, NJ 07974
201/665-5330
1-800-342-2477
- **Fairfax City Regional Library**
3915 Chain Bridge Road
Fairfax, VA 22030
703/691-2741

9. **Analysis of Records and Statements.** RAI has carefully evaluated and analyzed relevant documents gathered and the results of interviews to develop information on PRPs.

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10. **Preparation of Draft PRP Report.** RAI prepared the Draft PRP Report detailing findings of its research and submitted it to EPA on February 12, 1987.

11. **Write 104(e) Letters and Review Responses.** RAI assisted EPA in sending letters to PRPs under CERCLA Section 104(e) for obtaining needed information (Appendix B). RAI reviewed responses received from Occidental Chemical Corporation and Firestone Tire & Rubber Company, and incorporated this additional data in the Final PRP Report.

12. **Financial Assessment.** RAI has developed information on financial status of PRPs. These data include fixed assets, current assets, liabilities, retained earnings, long-term debts, common stock, preferred stock, etc.

13. **Preparation of Final PRP Report.** Per instructions (conveyed over the telephone) from Francisco Barba, EPA's Work Assignment Manager, RAI prepared this Final PRP Report. This document updates information presented in the draft report, in light of EPA's comments and information obtained through 104(e) responses.

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SITE BACKGROUND

III. SITE BACKGROUND

A. Location/Layout

The Occidental Chemical Corporation site is located in Montgomery County (Lower Pottsgrove Township) on a meander loop of the Schuylkill River, about 30 miles northeast of Philadelphia, PA (Figure 1). Pottstown, a community of over 20,000, lies a few miles upstream of the OCC site (Figure 2). On a 213-acre site, OCC operates a facility for the manufacture of polyvinyl chloride (PVC) resins from vinyl chloride, vinyl acetate and maleate monomers. Also produced are calendared sheet goods from PVC and ABS (acrylonitrile-butadiene-styrene) resins, stabilizers, plasticizers, etc.

Waste disposal facilities consist of an inactive 17-acre landfill; an active 7-acre landfill; four inactive, unlined seepage lagoons; and two active lined lagoons. The entire disposal site is located within the 100-year flood plain.

The inactive landfill lies to the south of the OCC plant. This landfill is approximately 1,700 feet long and ranges from 350 feet to 650 feet in width. The landfill rises 30 feet above the flood plain. The active landfill lies to the east of the inactive landfill (Figure 3) and is approximately 1,000 feet long and 300 feet wide.

The four inactive, unlined seepage lagoons are located adjacent to and northeast of the active landfill. These lagoons occupy approximately three acres. In addition, there are two lined lagoons covering approximately three acres adjacent to and north of the seepage lagoons. The active lagoons are 160 feet wide and 350 feet long, and are lined with an impermeable rubber liner (References 2 and 4).

B. Facility Operational Background

The OCC site was originally used by Jacobs Aircraft Engine Company (JAEC) for the production of aircraft engines. During the period 1942-45, JAEC started the inactive landfill as an open dump for disposing of cutting oils and metal filings generated in its operations (References 3 and 4).

From 1945 until 1970, Firestone Tire and Rubber Company (FTR) operated the inactive landfill site as an open dump. FTR landfilled tires, rubber, refinery wastes, pigments, zinc oxide, sulfur dioxide scrubber wastes, and PVC sludge resins. In 1970, FTR converted the open dump into a landfill operation (Reference 4).

In early 1971, PADER estimated that the landfill received an average of 33 tons of refuse per day, including 4 to 6 tons per day of scrap PVC resins. As a result of the increased volume of

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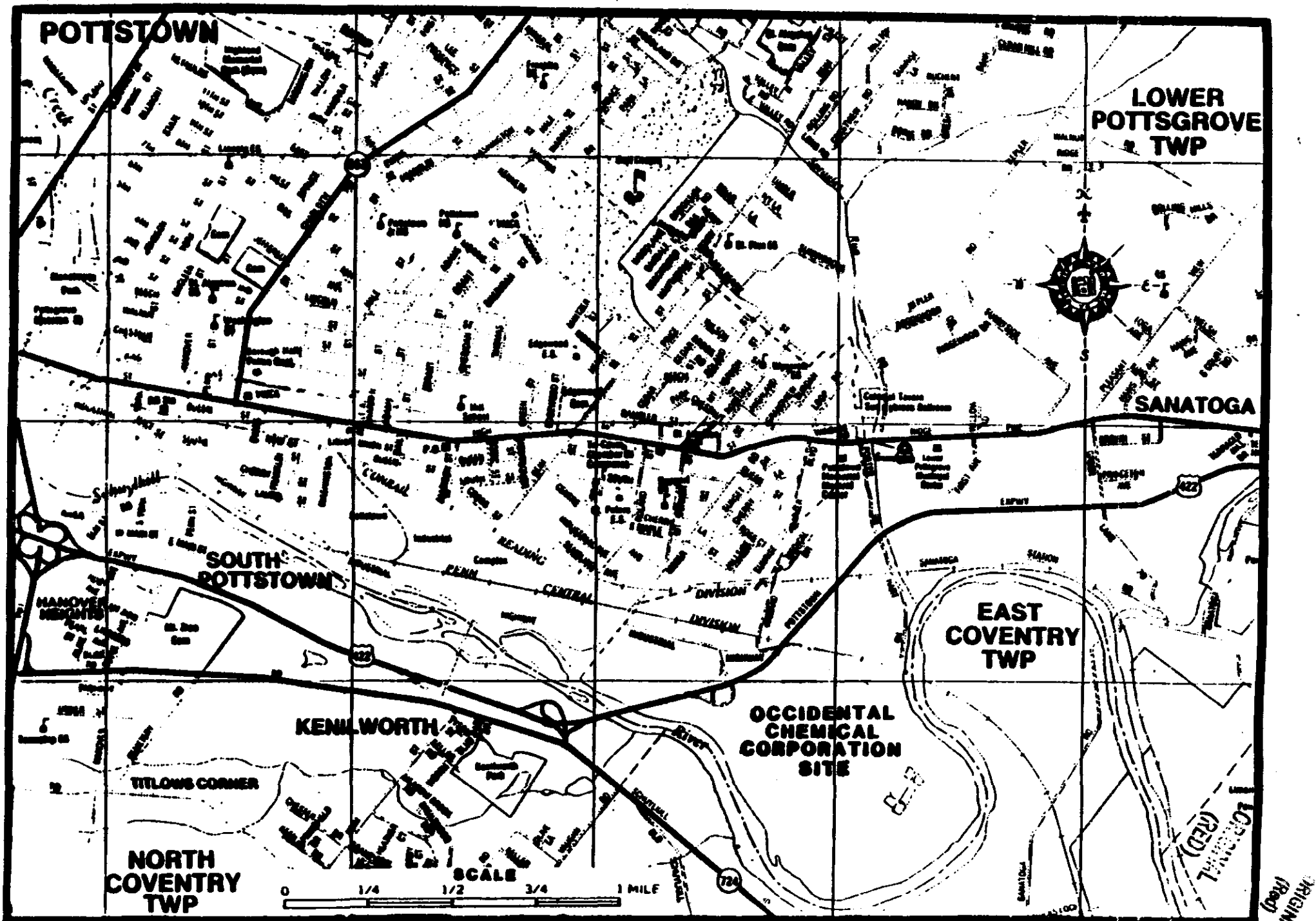
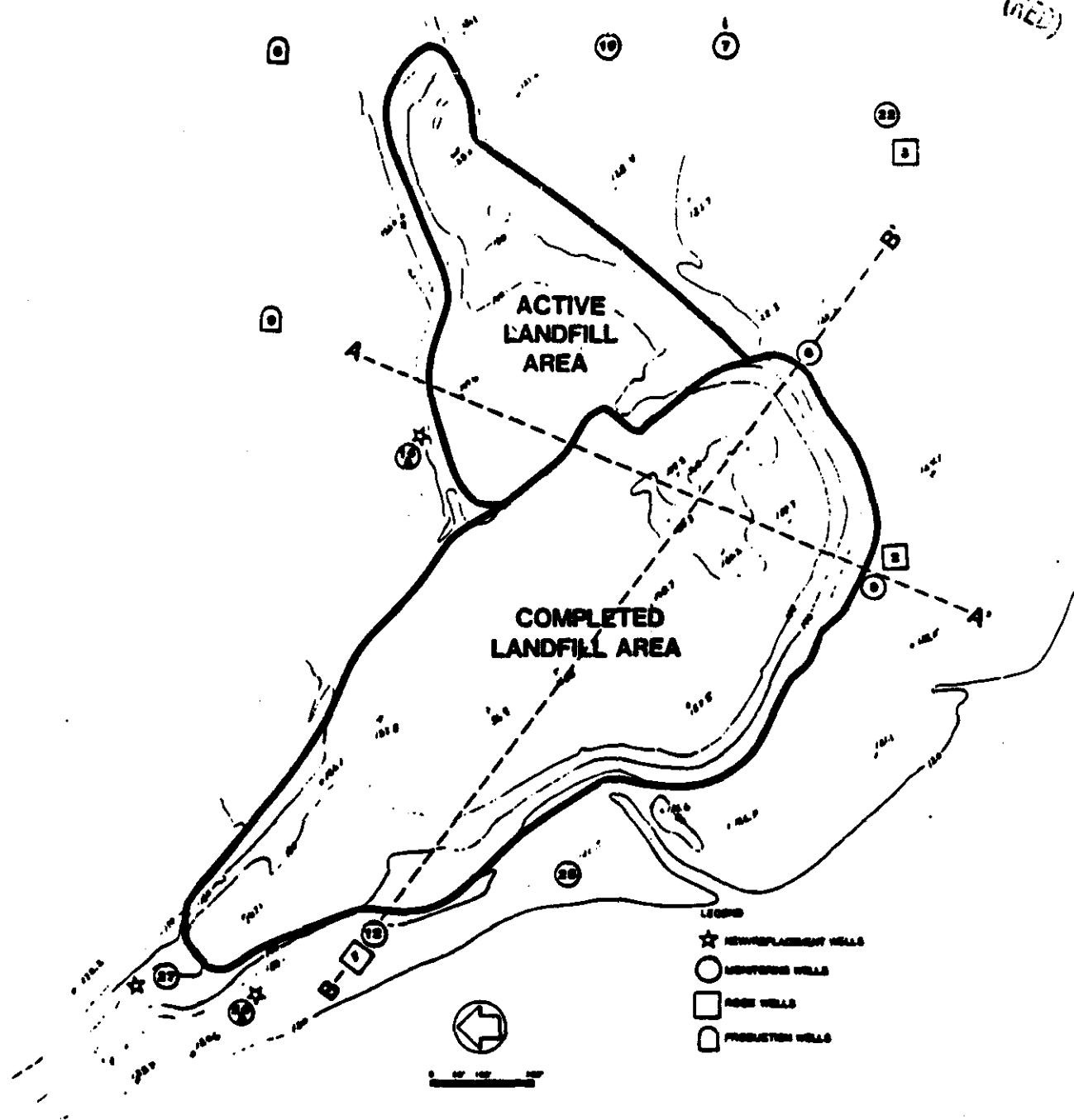


FIGURE 2

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**TOPOGRAPHIC PLAN OF
THE COMPLETED & ACTIVE LANDFILL AREAS**

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waste materials, FTR sought state permission to expand its landfill. PADER advised FTR that a leachate control system would be necessary prior to approval of the expanded landfill (References 3 and 6). FTR decided that leachate control could be best achieved by controlling groundwater flow in the area rather than by lining the existing and enlarged landfill. FTR retained Martin & Martin, Inc., to conduct a detailed hydrogeologic investigation at the site. This study included drilling of four deep wells into bedrock, and 22 monitoring wells adjacent to the two landfills and the six lagoons. The study proposed the utilization of deep wells to prevent off-site migration of leachate (References 5 and 6).

In December 1980, six months following the closure of the tire manufacturing plant, FTR sold the facility to Occidental Chemical Corporation (formerly Hooker Chemicals & Plastics Corporation). OCC currently operates only the PVC manufacturing plant at the facility. Wastes generated in the production of VC are handled as follows: solids in the process effluent are filtered out, mixed with fly ash, and disposed of in the active landfill (Reference 2). The filtered effluent receives some pretreatment (aeration) before being discharged into the Borough's sanitary system for treatment.

OCC experienced a TCE spill in July 1984, in the vicinity of process water well #8. High levels of TCE were observed in well #8; the plume extended toward process water wells #5 and #10. OCC agreed to drill exploratory wells, excavate the contaminated soil, pump wells #5, #8, and #10, and test the wells periodically. The company has phased out the use of TCE at this facility (Reference 2).

The firm of Betz, Converse, and Murdoch, Inc., designed a closure plan for the inactive landfill. The plan has been approved by PADER. In 1985, closure of the old landfill was initiated in accordance with the aforementioned plan.

OCC continues to pump its process wells, as stipulated by PADER in its approval of the new landfill. In light of the TCE spill and the resulting pollution plume, process wells #5, #8 and #10 are dedicated to continuous pumping. The remaining process wells are pumped on a rotating basis. At any given time, one well is down for service or repairs (Reference 2).

C. Permit and Regulatory History

On April 2, 1970, FTR submitted an application to the Pennsylvania Department of Health, Housing and Environmental Control for a permit to operate a solid waste disposal facility (Document No. 0118).

On August 6, 1973, PADER issued Permit #300001 to FTR for solid waste disposal (Document No. 230118).

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In 1974, FTR proposed the operation of an experimental pilot plant to study the removal of sulfur dioxide from oil-fired boilerhouse flue gas. This pilot plant generated calcium sulfite, calcium sulfate, and sodium sulfate wastes. PADER initially prohibited FTR from using the existing landfill for disposal of these wastes (Document No. 230118).

On January 15, 1975, FTR submitted a request to PADER for disposal of sulfur dioxide scrubber sludge in their present landfill and in the proposed expansion of the landfill (Document No. 230245).

On September 1, 1977, PADER reissued the permit for the operation of FTR's disposal facility. This permit was for an additional area entitled "active landfill" (Figure 3), along with an area to the west of the completed landfill, which was used for the disposal of sulfur dioxide waste products (Document No. 230226).

On March 6, 1981, an application was filed with PADER to change the name of the permittee from FTR to Hooker Chemicals & Plastics Corporation. This request was amended by an application submitted on September 3, 1982, to change the permittee from Hooker Chemicals & Plastics Corporation to Occidental Chemical Corporation (Document No. 230202).

On January 10, 1983, PADER issued a revised permit, reflecting the name change of the applicant to Occidental Chemical Corporation. This permit still required that all technical features of the former permit be in effect (Document No. 230161).

On March 19, 1985, Occidental Chemical Corporation closed the 17-acre inactive landfill, and PADER issued amended Permit No. 300001 (Document No. 230047).

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TITLE SEARCH FINDINGS

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IV. TITLE SEARCH FINDINGS

The objective of the title search was to identify the owner(s) of the Occidental Chemical Corporation (OCC) Site back to the time when Jacobs Aircraft Engine Company, operated a plant at the site.

RAI conducted searches in Recorder of Deeds' office, Montgomery County, Norristown, PA, and located relevant deeds listed in Table 1. Abstract of title search follows.

● **Jacobs Aircraft Engine Company (JAEC):**

On October 6, 1941, JAEC purchased two pieces of property (117 acres 50 perches and 138 acres 151 perches) from J. Elmer Porter and Annilla N. Porter (wife); and Rhea B. Rutter and Elizabeth Bowen Rutter (wife). These transactions are recorded in Montgomery County Deed Book 1422, p. 447, and Deed Book 1422, p. 451, respectively (Documents No. 230309 and No. 230313).

On February 4, 1942, JAEC purchased 13 acres 43 perches from Ernest Banks and Cynthia Banks (wife). The transaction is recorded in Montgomery County Deed Book 1446, p. 458 (Document No. 230317).

● **Defense Plant Corporation (DPC):**

On May 20, 1942, DPC purchased 256.086 acres 41 perches property from JAEC. The transaction is recorded in Montgomery County Deed Book 1464, p. 273 (Document No. 230321).

On February 1, 1945, DPC purchased 13 acres 43 perches from JAEC, and the transaction is recorded in Deed Book 1634, p. 288 (Document No. 230325).

On January 21, 1948, JAEC sold a piece of land to V. M. Greer, of Cuyahoga Falls, Ohio, and the transaction is recorded in Deed Book 1896, p. 266 (Document No. 230329).

● **Firestone Tire & Rubber Company (FTR):**

On March 19, 1948, FTR purchased a piece of land from V. M. Greer, and the transaction is recorded in Deed Book 2070, p. 503 (Document No. 230333).

On April 14, 1950, FTR purchased 256.08 acres 41 perches from Reconstruction Finance Corporation and United States of America (acted through General Services Administration). The transaction is listed in Montgomery County Deed Book 2076, p. 117 (Document No. 230339).

Chain of Title for Occidental Chemical Corporation Site, Pottstown, PA

TABLE 1

Deed Book Number	Page No.	Document No.	Consideration (in dollars)	Date Recorded	Grantor	Grantee	Area	Remarks
1422	447	230309	20,000	10/06/41	J. Elmer Porter & Annelle B. Porter (w/ife)	Jacobs Aircraft Engine Co. (JABC)	117 acres 50 perches	Indenture
1422	451	230313	17,000	10/06/41	Wm. B. Butler & Elizabeth Brown Butler (w/ife)	JABC	130 acres 151 perches	Indenture
1446	478	230317	12,000	02/04/42	Ernest Banks & Cynthia Banks (w/ife)	JABC	13 acres 43 perches	Deed
1444	273	230321	39,335	05/20/42	JABC	Defence Plant Corporation (DPC) created by Reconstruction Corporation (RNC)	256.086 acres 41 perches	Indenture
1634	208	230325	10,000	02-01-45	JABC	DPC	13 acres 43 perches	Indenture
1896	266	230329	1	01-21-46	JABC	V. M. Greer	Piece of land	Indenture
2070	503	230333	10	03-19-46	V. M. Greer	Firestone Tire & Rubber Co. (FTR)	-do-	Deed
2076	117	230339	6,115,440	04-14-50	Reconstruction Finance Corporation & WSA acted through GSA	FTR	256.086 acres 41 perches	Quit Claim Deed
2449	500	230351	600	03-16-56	Philadelphia Electric Co.	FTR	3.779 acres	Indenture
3545	417	230355	0,000	03-10-69	Continental Bank & Trust Co. succeeded by merger to Mac's Bank of Pottstown Trustee under will of John L. Schalls, etc.	FTR	6.556 acres	Indenture
4585	338	230362	11,000,000	12-02-80	FTR	Hooker Chemicals & Plastics Corporation	Premises A Piece of land Premises B: Treat I Treat II Premises C Premises D: Treat I Treat II	- Quit Claim Deed - 256.686 acres - Right-of-Way - 3.779 acres - 4.945 acres - 1.611 acres
4756	763	230372	3,000,000	12-28-84	Occidental Chemical Corp. (changed name from Hooker Chemicals & Plastics Corp.)	HCW Associates, Ltd.	40.06 acres	Indenture

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On March 16, 1956, FTR purchased a piece of property (3.779 acres) from Philadelphia Electric Company, and the transaction is recorded in Montgomery County Deed Book 2669, p. 500 (Document No. 230351).

On February 18, 1969, FTR purchased 6.556 acres of land from Continental Bank & Trust Company, succeeded by merger to National Iron Bank of Pottstown, Trustee, under the will of John L. Schulz, deceased, and William C. Gutmueller and Hilda Gutmueller (wife). The transaction is recorded in Deed Book 3545, p. 417 (Document No. 230355).

● **Hooker Chemicals and Plastics Corporation:**

On December 2, 1980, Hooker Chemicals & Plastics Corporation purchased the entire property described in Deed Book 4585, p. 338 from FTR (Document No. 230362). Hooker Chemicals & Plastics Corporation changed its name to Occidental Chemical Corporation.

According to Montgomery County records, the market value of the property is \$11,588,900 (Document No. 230418). The property is identified by parcel #42-00-01333-00-2. Boundaries of the property are shown in the following Tax Maps (Appendix C):

Map #1 (Block 27)	Units 13 and 14
Map #2 (Block 28)	Units 2 and 3
Map #3 (Block 29)	Unit 1

On December 28, 1984, Occidental Chemical Corporation sold 40.86 acres of land and warehouse building to BCW Associates, Ltd. OCC derived revenue of 3 million dollars from this sale. The transaction is recorded in Montgomery County Deed Book 4756, p. 763 (Document No. 230372), and boundaries of the property are shown on revised map No. 4 (Appendix C).

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POTENTIALLY RESPONSIBLE PARTIES

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V. POTENTIALLY RESPONSIBLE PARTIES

RAI has identified the following Potentially Responsible Parties (PRPs) based on documents obtained from the Environmental Protection Agency, Region III; Pennsylvania Department of Environmental Resources (PADER); Montgomery County Recorder of Deeds; Lower Pottsgrove Township; and information gathered during interviews with individuals knowledgeable about the site. The identified PRPs are listed below:

- | | |
|--|--------------------------------------|
| 1. Occidental Chemical Corporation
(Formerly Hooker Chemicals & Plastics Corporation)
Attn: Steven Schaefer, Executive Vice President
Box 599
Pottstown, PA 19464
215/327-6400 | OWNER/OPERATOR/
GENERATOR |
|--|--------------------------------------|

RAI has identified Occidental Chemical Corporation (OCC) as a generator and owner/operator of the site. Thus, OCC is liable for cost recovery action under CERCLA Section 107.

On November 16, 1903, the parent company, Hooker Electrochemical Corporation, was incorporated under the laws of the State of New York. In 1958, Hooker Electrochemical Corporation changed its name to Hooker Chemical Corporation. In 1974, its name was changed to Hooker Chemical & Plastics Corporation. In 1982, the name was changed to Occidental Chemical Corporation (Document No. 230382).

OCC is the subsidiary of Oxy C. H. Corporation, Los Angeles, CA, and was incorporated in 1973.

Further, Oxy C. H. Corporation is a wholly-owned subsidiary of Occidental Petroleum Investment Corporation, which, in turn, is a wholly-owned subsidiary of Occidental Petroleum Corporation, Los Angeles, CA (Document No. 230383).

OCC has 9 direct and 20 indirect subsidiaries located throughout the United States, which manufacture agricultural pesticides, industrial cyclic organic chemicals and synthetic resin-finished products (Document No. 230383).

According to Dun & Bradstreet, Inc., the management of OCC agreed to sell its process chemical business to Henkle Corporation. It is anticipated that the sale will be completed in early 1987 (Document No. 230385).

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2. **Firestone Tire & Rubber Co.**
John J. Nevin, Chairman
1200 Firestone Parkway
Akron, OH 44317
216/379-7000

OWNER/OPERATOR/
GENERATOR

RAI has cited FTR as a PRP because it was a waste generator and owner/operator of the property from 1950-80. RAI has already recommended that a 104(e) letter be issued to FTR (Appendix B).

The company was incorporated in Ohio on March 4, 1910 (Document No. 230400). FTR also owns 48 percent of Firestone Hispanico S.A., Bilbao, Spain, and 49 percent of Mulera El Centenario S.A., Mexico City, Mexico (Document No. 230401).

FTR has 31 plants in the United States and foreign countries. Additionally, it also has 1,600 company-owned stores for the sale of auto products and auto maintenance services (Document No. 230401).

FTR has over 30 direct and indirect subsidiaries. Many are foreign corporations engaged in the manufacture and distribution of the company's products in foreign markets (Document No. 230401).

3. **General Services Administration (GSA)**
Office of Real Estate Sales (No. 4 D.R.)
Attn: Patricia Bailey
75 Spring Street, SW
Atlanta, GA 30303
404/331-5133

OWNER

On May 20, 1942, Defense Plant Corporation purchased the property from Jacobs Aircraft Engine Company. The Defense Plant Corporation was established on Aug. 22, 1940, under section 5d of Reconstruction Finance Corporation Act, to produce, acquire, carry, sell or otherwise deal in strategic and critical materials; to acquire or dispose of plants for their manufacture; to acquire or dispose of railroad and commercial aircraft equipment; and to acquire or dispose of facilities for training of aviators. Transferred from Federal Loan Agency to Department of Commerce by EO 9071 of Feb. 24, 1945 (59 Stat. 5; 12 U.S.C. 1801). Dissolved by act approved June 30, 1945 (59 Stat. 310; 15 U.S.C. 605 k-1, 606b note), and functions, powers, duties and authority transferred to the Reconstruction Finance Corporation effective July 1, 1945 (Document No. 230306, U.S. Government Manual, 1986/87, p. 752). On April 14, 1950, Reconstruction Finance Corporation (RFC) and United States of America acted through GSA as a Grantor and sold the property to Firestone Tire and Rubber Company (Document No. 230339).

Reconstruction Finance Corporation was established as a corporate body by Reconstruction Finance Corporation Act, approved Jan. 22, 1932 (47 Stat. 5; 15 U.S.C. 601 et seq.), formally organized and

operations begun Feb. 2, 1932. Purposes of Corporation were to aid in financing agriculture, commerce, and industry, to encourage small business, to help in maintaining economic stability of the country, and to assist in promoting maximum employment and production (Document No. 230308).

RFC was grouped with other agencies to form Federal Loan Agency by Reorg. Plan No. 1 of 1939. Transferred to Department of Commerce by EO 9071 of Feb. 24, 1942. Returned to Federal Loan Agency pursuant to an act approved Feb. 24, 1945 (59 Stat. 5; 12 U.S.C. 1801). Act approved June 30, 1947 (Sec. 204, 61 Stat. 202; 12 U.S.C. 1801), abolished Federal Loan Agency and all functions assumed by RFC (Document No. 230308).

Board of Directors of RFC, established by RFC Act of Jan. 22, 1932 (47 Stat. 5; 15 U.S.C. 601 et seq.) was abolished by Reorg. Plan No. 1 of 1951, effective May 1, 1951, and functions transferred to Administrator of Loan Policy Board, established by same plan, effective April 30, 1951.

Act approved July 30, 1953 (67 Stat. 230; 15 U.S.C. 603 note), provided for RFC succession until June 30, 1954, and for termination of its lending powers on Sept. 28, 1953. Reorg. Plan No. 2 of 1954, assigned to appropriate agencies for liquidation of certain functions of RFC, effective July 1, 1954. (Source: U.S. Government Manual 1986/87, p. 813, Document No. 230308).

Reorganization Plan No. 1 of 1957, effective June 30, 1957, abolished RFC and transferred its remaining functions to Housing and Home Finance Agency, General Services Administration, Small Business Administration, and Department of the Treasury.

RAI has identified GSA as an owner of the property from 1942 to 1950 and, hence, cited as a PRP. RAI recommends to EPA that 104(e) letter be issued to GSA, Real Estate Sales, Atlanta, GA.

4. Jacobs Aircraft Engine Company (JAEC)

Although no records exist concerning hazardous waste disposal by JAEC, it is inferred that such wastes were generated and disposed of at the site by the firm. RAI's research reveals that Jacobs Aircraft Engine Company, the firm that operated a plant at the site prior to Firestone Tire & Rubber Company, as well as its successors, are defunct.

FINANCIAL ASSESSMENT

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VI. FINANCIAL ASSESSMENT

RAI has developed the following information on the financial condition of OCC and FTR:

1. Occidental Chemical Corporation

According to Dun & Bradstreet, Inc., the financial data for the fiscal year ending December 31, 1985, are as follows (Document No. 230384):

1. Current Assets	\$ 267,769,427
2. Fixed Assets	585,341,923
3. Total Assets	1,218,714,036
4. Current Liabilities	123,777,239
5. Long Term Debt	66,587,328
6. Due to Affiliates	67,155,733
7. Long Term Liabilities	83,574,311
8. Additional Paid-in Capital	655,584,660
9. Retained Earnings	222,029,765

Overall financial condition of Occidental is good (Document No. 230379-230393).

Stock: Authorized capital consists of 5,000,000 common stock shares with \$1 par value. Oxy C. H. Corporation owned 100 percent of capital stock.

2. Firestone Tire & Rubber Company

The financial data for FTR for the fiscal year ending October 31, 1985, are as follows (Source: Dun & Bradstreet, Inc., Document No. 230397):

1. Current Assets	\$1,284,000,000
2. Current Liabilities	902,000,000
3. Working Capital	382,000,000
4. Other Assets	1,244,000,000
5. Long Term Debt	234,000,000
6. Worth	1,163,000,000
7. Sales	3,836,000,000
8. Net Income	3,000,000
9. Retained Earnings	1,364,000,000

According to Dun & Bradstreet, Inc., the financial condition of FTR is strong (Document No. 230395-230412).

Stock: Authorized capital consists of 120,000,000 common stock shares as of October 31, 1985. At that time, the number of shareholders was 31,148. The company shares are listed on the New York, Pacific Coast and London Stock Exchanges. On October

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31, 1985, paid in capital was \$176,000,000. The officers and directors of the company own less than one percent of the capital stock; the balance is owned publically.

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REFERENCES

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VIII. REFERENCES

1. NUS, Hazard Ranking System for Occidental Chemical Corporation prepared under TDD No. F3-8602-31, July 28, 1986.
2. NUS, Site Inspection Report of Occidental Chemical Corporation prepared under TDD No. F3-8509-06, July 2, 1986.
3. BCM Eastern, Inc., Revised Landfill Closure Plan, Phase I (Application for Permit for Solid Waste Disposal), August 2, 1984.
4. PADER, Site Inspection Report #002334757, August 7, 1980.
5. Martin & Martin, Inc., Groundwater Module Phase II. Firestone Landfill, February 1, 1977.
6. Martin & Martin, Inc., Hydrology of the Existing Landfill, Proposed Landfill, and Sludge Lagoons, December 1, 1975.

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APPENDICES

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APPENDIX A - DOCUMENT INDEX

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APPENDIX A

DOCUMENT INDEX

<u>Document No.</u>	<u>Description</u>
230001	Letter from J. A. King, OCC, to PADER, Jan. 16, 1986.
230002	Letter from J. A. King, OCC, to PADER, Jan. 27, 1986.
230003-06	Letter from Weston Services, Inc., to BCW Associates, Ltd., Jan. 30, 1986.
230007	Letter from Robert A. Swift, Kohn, Savett, Marion & Graft, P.C., to Robert D. Luss, Esq., Feb. 19, 1986.
230008	Letter from Robert A. Swift, Kohn, Savett, Marion & Graft, P.C., to President, PTR, Feb. 19, 1986.
230009-11	Letter from D. J. Henry, OCC, to PADER, May 20, 1986.
230012	Letter from J. A. King, OCC, to PADER, May 20, 1986.
230013	Memorandum from S. M. Marcucci, Hydrologist to L. H. Lansky, PADER, June 16, 1986.
230014-15	Letter from L. L. Lukowiak, OCC, to T. Sheehan, PADER, Feb. 4, 1986.
230016-17	Letter from L. L. Lukowiak, OCC, to T. Sheehan, PADER, March 4, 1986.
230018-19	Letter from L. L. Lukowiak, OCC, to J. Sheehan, PADER, April 1, 1986.
230020-21	Letter from L. L. Lukowiak, OCC, to T. Sheehan, PADER, May 9, 1986.
230022-23	Letter from L. L. Lukowiak, OCC, to T. Sheehan, PADER, June 2, 1986.
230024-25	Letter from L. L. Lukowiak, OCC, to T. Sheehan, PADER, July 1, 1986.
230026-27	Letter from L. L. Lukowiak, OCC, to T. Sheehan, PADER, Sept. 8, 1986.

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<u>Document No.</u>	<u>Description</u>
230028-29	Letter from L. L. Lukowiak, OCC, to T. Sheehan, PADER, Oct. 2, 1986.
230030-31	Letter from L. L. Lukowiak, OCC, to T. Goodwald, PADER, Nov. 10, 1986.
230032-33	Letter from L. L. Lukowiak, OCC, to T. Goodwald, PADER, Dec. 18, 1986.
230034	Memorandum from D. C. Orenshaw, Regional Engineer to L. H. Lunsik, Facilities Supervisor, PADER, Jan. 2, 1985.
230035	Letter from J. A. King, OCC, to PADER, Jan. 22, 1985.
230036	Memorandum from D. M. Mas. Soil Scientist, to Dennis Orenshaw, Sanitary Engineer, PADER, Feb. 8, 1985.
230037-38	Memorandum from P. Rotstein, Hydrologist to L. H. Lunsik, Solid Waste Facilities Supervisor, PADER, Feb. 15, 1985.
230039-42	Letter from K. H. Garner, OCC, to L. H. Lunsik, Solid Waste Facilities Supervisor, PADER, Feb. 28, 1985.
230043-44	Letter from K. H. Garner, OCC, to PADER, March 6, 1985.
230045	Memorandum from D. M. Mason, Soil Scientist, to L. H. Lunsik, PADER, March 13, 1985.
230046	Letter from W. L. Lynn, Regional Solid Waste Manager, PADER, to K. H. Garner, OCC, March 27, 1985.
230047-48	Letter from W. L. Lynn, Regional Solid Waste Manager, PADER, to K. H. Garner, OCC, March 19, 1985.
230049-50	Letter from T. Sheehan, Solid Waste Specialist, PADER, to J. A. King, OCC, March 29, 1985.
230051-52	Letter from J. A. King, OCC, to PADER, April 11, 1985.
230053	Letter from R. E. Umstead, Lower Pottsgrove Township, to OCC, May 7, 1985.

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<u>Document No.</u>	<u>Description</u>
230054	Letter from R. D. Reber, Jr., member, House of Representatives, Harrisburg, to PADER, May 9, 1985.
230055-56	Letter from M. M. King, BCM Eastern, Inc., to L. H. Lunsik, PADER, May 15, 1985.
230057	Letter from L. T. Gonshor, Regional Director, PADER, to R. D. Rober, Jr., House of Representatives, May 17, 1985.
230058	Letter from J. M. Gaadt, Montgomery County Planning Commission, to L. H. Lunsik, PADER, June 6, 1985.
230059	Letter from R. E. Umstead, Manager, Lower Pottsgrove Township, to PADER, June 13, 1985.
230060	Letter from J. A. King, OCC, to PADER, June 14, 1985.
230061	Letter from M. M. King, BCM Eastern, Inc., to K. B. Hughes, Montgomery County Planning Commission, July 18, 1985.
230062	Letter from G. G. Richards, Lower Pottsgrove Township, to PADER, July 29, 1985.
230063	Letter from M. M. King, BCM Eastern, Inc., to L. T. Gonshor, PADER, Aug. 5, 1985.
230064-65	Memorandum from D. Orenshaw, Sanitary Engineer to L. H. Lunsik, Solid Waste Facilities Supervisor, PADER, Aug. 21, 1985.
230066-67	Letter from L. H. Lunsik, PADER, to K. H. Garner, OCC, Aug. 26, 1985.
230068-69	Letter from R. M. Russell, BCM Eastern, Inc., to PADER, Sept. 13, 1985.
230070-71	Letter from W. L. Lynn, PADER, to K. H. Garner, OCC, Oct. 3, 1985.
230072-73	Letter from J. A. King, OCC, to PADER, Oct. 29, 1985.
230074-75	Letter from M. M. King, BCM Eastern, Inc., to W. L. Lynn, PADER, Dec. 17, 1985.

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<u>Document No.</u>	<u>Description</u>
230076	Letter from J. A. King, OCC, to PADER, Dec. 10, 1985.
230077-78	Letter from A. E. Schmeck, OCC, to J. Ort, PADER, March 18, 1985.
230079-81	Letter from A. E. Schmeck, OCC, to J. Ort, Hydrologist, PADER, Aug. 19, 1985.
230082-84	Letter from L. L. Lukowiak, OCC, to J. Ort, PADER, Nov. 19, 1985.
230085-106	Letters from A. E. Schmeck, OCC, to T. Sheehan, PADER, Dec. 4, 1985.
230107-126	Letter from R. E. Valiga, BCM Eastern, Inc., to W. Lynn, PADER, Aug. 2, 1984.
230127-128	Letter from L. L. Lukowiak, OCC, to T. Sheehan, PADER, Sept. 12, 1984.
230129-130	Letter from L. T. Conshor, PADER, to OCC, Oct. 11, 1984.
230131-132	Letter from K. B. Hughes, Montgomery County Planning Commission, to L. H. Lunsk, PADER, Dec. 5, 1984.
230133-134	Letter from J. A. King, OCC, to PADER, Dec. 5, 1984.
230135-136	Letter from T. Sheehan, PADER, to J. A. King, OCC, Dec. 12, 1984.
230137	Letter from V. J. Janosik, PADER, to J. A. King, OCC, Jan. 20, 1984.
230138	Letter from J. A. King, OCC, to T. Sheehan, PADER, Jan. 23, 1984.
230139	Letter from J. A. King, OCC, to PADER, Feb. 2, 1984.
230140-159	Letters from A. E. Schmeck, OCC, to T. Sheehan, PADER, Jan. 30, 1984.
230160-163	Letter from W. L. Lynn, PADER, to K. N. Garner, OCC, Jan. 10, 1983.
230164	Letter from S. P. Dominick, Jr., OCC, to W. Lynn, PADER, Jan. 19, 1983.

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<u>Document No.</u>	<u>Description</u>
230165	Letter from L. H. Lunsck, PADER, to J. A. King, OCC, Jan. 25, 1983.
230166	Letter from J. A. King, OCC, to W. Lynn, PADER, Jan. 13, 1983.
230167-69	Letter from A. E. Schmeck, OCC, to J. Ort, Hydrologist, PADER, Feb. 11, 1983.
230170-71	Letter from L. H. Lunsck, PADER, to J. A. King, OCC, Feb. 25, 1983.
230172	Letter from J. A. King, OCC, to PADER, March 31, 1983.
230173	Letter from J. A. King, OCC, to L. H. Lunsck, PADER, Dec. 2, 1983.
230174	Letter from J. A. King, OCC, to PADER, Oct. 11, 1983.
230175-77	Letter from A. E. Schmeck, OCC, to G. Galida, PADER, Oct. 31, 1983.
230178	Notice of Violation from PADER to OCC, Nov. 30, 1983.
230179	Letter from J. E. Schmeck, OCC, to J. Ort, PADER, Nov. 22, 1983.
230180-83	Letters from A. E. Schmeck, OCC, to T. Sheehan, PADER, Aug. 2, 1983.
230184-86	Letter from J. A. King, OCC, to L. H. Lunsck, PADER, June 21, 1982.
230187	Letter from T. Sheehan, PADER, to A. E. Schmeck, Hooker Chemicals & Plastics Corporation, June 22, 1982.
230188-89	Letter from L. T. Conshor, PADER, to OCC, July 16, 1982.
230190-91	Letter from J. A. Mack, OCC, to L. H. Lunsck, PADER, Nov. 9, 1982.
230192	Letter from L. H. Lunsck, PADER, to J. A. King, OCC, Nov. 9, 1982.
230193-94	Letter from T. Sheehan, PADER, to J. A. King, OCC, July 16, 1982.

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<u>Document No.</u>	<u>Description</u>
230195-98	Letter from J. A. King, OCC, to PADER, Dec. 8, 1982.
230199	Letter from L. H. Lunsik, PADER, to R. L. Yohe, Hooker Chemicals & Plastics Corporation, Jan. 2, 1981.
230200	Letter from T. Sheehan, PADER, to J. A. King, Hooker Chemicals & Plastics Corporation, Feb. 23, 1981.
230201	Letter from J. A. King, Hooker Chemicals, to L. Lutz, PADER, March 6, 1981.
230202-03	Letter from J. A. King, Hooker Chemicals, to L. Lunsik, PADER, March 16, 1981.
230204	Letter from J. A. King, Hooker Chemicals, to S. Bulkin, EPA, Region III, April 1, 1981.
230205	Letter from J. A. King, Hooker Chemicals, to J. Henry, EPA, Region III, April 8, 1981.
230206-07	Letter from J. A. King, Hooker Chemicals, to G. Galida, PADER, May 14, 1981.
230208-09	Letter from S. D. Bulkin, U.S. EPA, to J. King, Hooker Chemicals & Plastics Corporation, July 16, 1981.
230210	Letter from J. A. King, Manager, Hooker Chemicals, to L. H. Lunsik, PADER, July 28, 1981.
230211-13	Letter from J. A. King, Hooker Chemicals, to W. Walsh, EPA, Region III, Aug. 26, 1981.
230214	Letter from L. H. Lunsik, PADER, to J. A. King, Hooker Chemicals, Sept. 1, 1981.
230215	Letter from J. A. King, Hooker Chemicals, to L. H. Lunsik, PADER, Oct. 1, 1981.
230216	Letter from L. H. Lunsik, PADER, to J. A. King, Hooker Chemicals, Sept. 1, 1981.
230217-18	Letter from J. R. Laman, Firestone Tire & Rubber (PTR), to C. L. Jones, PADER, April 21, 1980.

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<u>Document No.</u>	<u>Description</u>
230219-20	Letter from Director, PADER, to Environmental Engineer, FTR, May 19, 1980.
230221	Memorandum from P. L. Yaniga, to W. L. Lynn, PADER, March 1, 1977.
230222-23	Letter from W. W. Madden, FTR, to W. Lynn, PADER, April 5, 1977.
230224-25	PADER memorandum from P. M. Yaniga to W. L. Lynn, May 10, 1977.
230226	Letter from PADER to W. Madden, FTR, Sept. 1, 1977.
230227	Letter from R. M. Bodner, Martin & Martin, Inc., to W. C. Bucciarelli, PADER, Aug. 11, 1977.
230228-30	Proceedings of PADER meeting, March 21, 1976.
230231	Letter from R. M. Bodner, Martin & Martin, Inc., to W. Lynn, PADER, April 19, 1976.
230232-33	Letter from W. L. Lynn, PADER, to W. L. Madden, FTR, July 23, 1976.
230234	Letter from Pennsylvania Institute of Environmental Sciences to R. M. Bodner, Martin & Martin, Inc., Aug. 5, 1976.
230235-36	Memorandum from P. M. Yaniga to W. L. Lynn, PADER, July 8, 1976.
230237-38	Letter from W. L. Lynn, PADER, to W. J. Madden, FTR, July 23, 1976.
230239-42	Consent Agreement between PADER and FTR, Jan. 5, 1976.
230243-44	Letters from R. M. Bodner, Martin & Martin, Inc., to W. L. Lynn, PADER, Nov. 5, 1976.
230245	Letter from W. J. Madden, FTR, to W. L. Lynn, PADER, Jan. 15, 1975.
230246	Memorandum from J. F. Zwalinski to W. L. Lynn, PADER, Jan. 29, 1975.
230247-48	Memorandum from D. E. Lindorff to W. L. Lynn, PADER, April 9, 1975.

<u>Document No.</u>	<u>Description</u>
230249-50	Memorandum from D. E. Lindorff to W. L. Lynn, PADER, April 9, 1975.
230251-53	Memorandum from J. F. Zwalinski to W. L. Lynn, PADER, April 17, 1975.
230254-55	Letter from W. L. Lynn, PADER, to W. Madden, PTR, May 29, 1975.
230256-58	Letter from R. M. Bodner, Martin & Martin, Inc., to W. L. Lynn, PADER, July 2, 1975.
230259	Memorandum from J. F. Zwalinski to W. L. Lynn, PADER, July 10, 1975.
230260-62	Letter from W. L. Lynn, PADER, to W. Madden, PTR, Oct. 24, 1975.
230263-64	Memorandum from P. M. Yaniga to W. L. Lynn, PADER, Oct. 21, 1975.
230265	Letter from R. M. Bodner, Martin & Martin, to W. L. Lynn, PADER, Nov. 10, 1975.
230266	Memorandum from W. L. Lynn to W. C. Bucciarelli, PADER, Dec. 3, 1975.
230267	Memorandum from G. W. Buchanan to Rao Kona, PADER, Dec. 30, 1975.
230268	Memorandum from J. F. Zwalinski to W. L. Lynn, PADER, Feb. 26, 1974.
230269-70	Letter from W. Madden, PTR, to W. L. Lynn, PADER, April 8, 1974.
230271	Conference Report, Sanders & Thomas, Inc., June 4, 1974.
230272	Letter from W. Madden, PTR, to W. L. Lynn, PADER, June 28, 1974.
230273	Letter from R. Zaharchuk, PTR, to PADER, Sept. 26, 1974.
230274-75	Letter from J. F. Zwalinski, PADER, to W. Madden, PTR, Oct. 8, 1974.
230276	Memorandum from D. E. Lindorff to W. L. Lynn, PADER, Oct. 31, 1974.

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<u>Document No.</u>	<u>Description</u>
230277	Letter from W. Madden, FTR, to G. W. Buchanan, PADER, March 28, 1972.
230278-79	Letter from L. K. Legatski, FMC Corporation, to W. Madden, FTR, Dec. 5, 1973.
230280	Letter from W. Madden, FTR, to W. Lynn, PADER, Dec. 12, 1973.
230281	Letter from W. C. Bucciarelli, PADER, to W. Madden, FTR, July 15, 1971.
230282	Memorandum from G. K. Stinson to W. L. Lynn, PADER, Aug. 19, 1971.
230283	News Analysis, <u>Plastics World</u> , Nov. 1980.
230284-304	Lower Pottsgrove Township documents.
230305-308	U. S. Government Manual 1986/87.

Title Search Documents

230309-312	Deed Book 1422, p. 447
230313-316	Deed Book 1422, p. 451
230317-320	Deed Book 1446, p. 458
230321-324	Deed Book 1464, p. 273
230325-328	Deed Book 1634, p. 288
230329-332	Deed Book 1896, p. 266
230333-338	Deed Book 2070, p. 503
230339-350	Deed Book 2076, p. 117
230351-354	Deed Book 2669, p. 500
230355-361	Deed Book 3545, p. 417
230362-371	Deed Book 4585, p. 338
230372-378	Deed Book 4756, p. 763

Document No.

Description

Dun & Bradstreet Documents

230379-393

Occidental Chemical Corporation

230394-412

Firestone Tire & Rubber Co.

Misc. Documents

230413-417

Articles of Incorporation of Jacobs
Aircraft Engine Co.

230418

Property Assessment

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APPENDIX B - RAI MEMORANDA/LETTERS

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Resource Applications, Inc.
Engineers - Scientists - Planners

MEMORANDUM

DATE: January 20, 1987

TO: Francisco Barba, Work Assignment Manager
cc: Ms. Elaine Spiewak

FROM: Tara Singh, ^{TS} Program Director

SUBJECT: Progress Report/Occidental Chemical Site, Pottstown, PA

To accomplish the assigned tasks, RAI visited the following offices:

Pennsylvania Department of Environmental Resources,
Norristown

Recorder of Deeds, Montgomery County, Norristown

In accordance with the tasks contained in the Work Assignment and the approved Work Plan, progress on the Work Assignment to date is summarized as follows:

1. **Discussion with Work Assignment Manager.** RAI has been discussing the progress of the project, on a regular basis with the Work Assignment Manager.
2. **Review and Analysis of EPA files.** RAI reviewed EPA files concerning the Occidental Chemical Site and obtained copies of relevant documents. The documents have been carefully analyzed and two Potentially Responsible Parties (PRPs) have been identified (RAI's letter of January 8, 1987).
3. **Contacts/State and Local Officials.** RAI has been in touch with the following PADER and local officials:

Thomas Sheehan
Solid Waste Specialist
PADER
Ridley Creek State Park
Route 6, Sycamore Mills Road
Mediapa, PA 19063
215/565-1687

Lawrence H. Lunsik
Solid Waste Facilities Supervisor
PADER
1875 New Hope Street
Norristown, PA 19401
215/270-1941

John M. Gaat
Montgomery County Planning Commission
Courthouse, 1 Montgomery Plaza
Swede & Airy Streets
Norristown, PA 19404
215/270-1920

Drew Shaw
Environmental Planner
Montgomery County Planning Commission
Courthouse, 1 Montgomery Plaza
Swede & Airy Streets
Norristown, PA 19404
215/278-3733

Gerald G. Richards
President, Board of Commissioners
Township of Lower Pottsgrove
P.O. Box 11
Saratoga, PA 19464
215/323-0436

Raymond Umstead
Manager
Township of Lower Pottsgrove
P.O. Box 11
Saratoga, PA 19464
215/323-0436

4. **Review State and Local Files.** On January 14, 1987, RAI had a meeting with the PADER officials and reviewed files concerning Occidental Chemical Corporation back to the 1971.

5. **Review Site Files.** RAI Project Team will visit the Montgomery County Planning Commission and Township of Lower Pottsgrove offices on January 22, 1987, to review local records. Copies of relevant documents will be brought to the RAI office for further analysis and identification of responsible parties.

6. **Interview knowledgeable individuals.** RAI is conducting telephone interviews with knowledgeable individuals. Persons interviewed included officials of PADER; Montgomery County; Township of Lower Pottsgrove; PA Fish Commissioner; U.S. Coast Guard, Philadelphia; and downstream water users (Keystone Water Company, Phoenixville Water Company, Philadelphia Water, and Citizens Utilities Home Water Company).

7. **Title Search.** RAI conducted a title search in the Recorder of Deeds office, Montgomery County, Norristown, PA, and located relevant deeds listed below.

Date	Deed Book Number	Page No.	Grantor	Grantee
12-03-80	4585	338	Firestone Tire & Rubber Co. (FTR)	Hooker Chemicals & Plastics Corp.
02-18-69	3545	417	Continental Bank & Trust Co. successor by merger to National Bank of Pottstown	FTR
03-16-56	2669	500	Philadelphia Electric Co.	FTR
04-14-50	2076	117	Reconstruction Finance Corp. & U.S. of America acted thru General Services Admin.	FTR
03-19-48	2070	503	V. M. Greer	FTR
11-21-47	1896	266	Jacobs Aircraft Engine Co. (JAEC)	Defense Plant Corp. (DPC)
05-20-42	1464	273	JAEC	DPC
05-06-42	1462	130	Pennsylvania Rail- road Co.	JAEC
03-24-42	1453	317	W.G. Gutmueller & Helene A. (wife), et al.	JAEC
03-25-42	1453	505	Clifford Banks, Sr.	JAEC
05-28-37	1238	440	C.L. Schultz, et al.	Bell Telephone Co.
10-01-34	1185	203	John L. Schultz, et al.	W.L. Gutmueller
10-01-34	1185	195	The Security Trust Co.	J.L. Schultz, et al.
09-12-21	846	195	Rhea B. Butter & Elizabeth Bowen Butter (wife)	Philadelphia Suburban Gas & Electric Co.
03-12-18	767	109	Harry J. Bahr, et al.	Philadelphia Suburban Gas & Electric Co.

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A perusal of this Table shows that relevant property documents have been collected as far back as 1918.

RAI's research reveals that Reconstruction Finance Corporation*, and United States of America acted through General Services Administration as Grantor and sold the property to Firestone Tire and Rubber Company on April 14, 1950 and these parties are identified as owners and, hence, cited as PRPs.

8. Corporate History/Status. RAI has developed information on current status of the following PRPs:

- Occidental Chemical Corporation
(formerly Hooker Chemical Co.)
Attn: Steven Schaefer, Executive Vice President
Box 599
Pottstown, PA 19464
215/327-6400

On November 16, 1903, the parent company (Hooker Electrochemical Corporation) was incorporated in New York. The authorized capital consisted of 5,000,000 shares of common stock, with \$1 par value.

In 1958, the corporation changed its name to Hooker Chemical Corporation. In 1974, the name changed to Hooker Chemical & Plastics Corporation. In 1982, the name was again changed to Occidental Chemical Corporation.

According to Dun and Bradstreet, Inc., the management of Occidental Chemical Corporation has agreed to sell its process chemical business to Henkle Corporation. It is anticipated that the sale will be completed in early 1987.

- Firestone Tire & Rubber Co.
Attn: John J. Nevin, Chairman
1200 Firestone Parkway
Akron, OH 44317
216/379-7000

The company was incorporated in Ohio on March 4, 1910. The authorized capital consists of 120,000,000 shares of common stock with no par value and 10,000,000 shares of preferred stock having no par value. The company shares are listed on the New York, Pacific Coast and London Stock Exchanges. On October 31, 1985, paid in capital was \$176,000,000. The officers and directors of the Firestone Tire and Rubber Company own less than one percent of the capital stock. The balance of capital stock shares are owned by the general public.

* A corporation organized by virtue of the laws of U.S.A., by which corporation has succeeded, pursuant to the provisions of Public Law 109, 79th Congress, approved on June 30, 1945



Resource Applications, Inc.
Engineers - Scientists - Planners

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January 8, 1987

Mr. Francisco Barba
U.S. Environmental Protection Agency
841 Chestnut Building
Philadelphia, PA 19107

Subject: Identification of PRPs/Occidental Chemical Site,
Pottstown, PA

Dear Francisco:

RAI has identified the following Potentially Responsible Parties (PRPs) based on review of documents collected from U.S. EPA, Region III, and recommends that EPA send 104(c) letters to each of them. The PRPs and their mailing addresses are as follows:

- John J. Kevin, Chairman
Firestone Tire & Rubber Company
1200 Firestone Parkway
Akron, Ohio 44317
216/379-7000
- Steven Schaefer, Executive Vice President
Occidental Chemical Corporation
(Formerly Hooker Chemical Co.)
Box 599
Pottstown, PA 19464
215/327-6400

RAI's initial research reveals that Jacobs Aircraft & Engine Co. (JAEC), the firm that operated a plant at the site prior to Firestone Tire & Rubber, as well as its successors, are defunct. RAI is seeking corroborating information concerning the fate of JAEC.

The 104(e) letters to Firestone and Occidental should seek information concerning:

1. Dates of operation of the company plant at the Occidental Chemical Site
2. Nature of its manufacturing business and a list of all products

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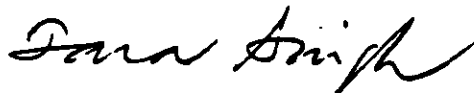
3. Types and quantities of substances sent by the company to the landfill, if any, and supporting documents such as receipts, manifests, etc
4. Date(s) such substances were sent to the landfill
5. The physical state of the substances sent to the landfill, and the manner in which substances were disposed of
6. Correspondence between parties and any regulatory agencies or any other party/parties regarding such substances
7. The identity of, and documents relating to, any other person who transported or arranged for transportation of such substances to the landfill

Please incorporate these statements in the 104(e) letter format and send to each of the PRPs.

Responses to the 104(e) letter will be analyzed by RAI and used for identifying additional PRPs and for strengthening cases against those already so identified. If responses are received in time, information contained therein will be included in the Draft PRP Report. If, however, responses are received after the submission of RAI's draft, the analysis of 104(e) letters will be included in the Final PRP Report.

Sincerely,

RESOURCE APPLICATIONS, INC.



Tara Singh, Ph.D., P.E.
Program Director

Copy: Ms. Elaine Spiewak

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APPENDIX C - TAX MAPS

APPENDIX C

1. Tax Map #1, (Block 27) Units 13 and 14
2. Tax Map #2, (Block 28) Units 2 and 3
3. Tax Map #3, (Block 29) Unit 1
4. Tax Map #4, Subdivision Plan

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EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

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The Occidental Chemical Corporation (OCC) Site is located in Montgomery County (Lower Pottsgrove Township) on a meander loop of the Schuylkill River, about 30 miles northeast of Philadelphia, PA. On a 213-acre site, OCC operates a facility to manufacture polyvinyl chloride (PVC) resins from vinyl chloride, vinyl acetate and maleate monomers. Wastes from the PVC manufacturing process were disposed of in a number of facilities, including: an inactive 17-acre landfill; an active 7-acre landfill; four inactive, unlined seepage lagoons; and two active lined lagoons.

A spill of trichloroethylene (TCE) occurred in 1984, and high levels of TCE were discovered in on-site water wells. The primary environmental concern at this site is the contamination of groundwater with PVC and TCE. About 14,522 persons are at risk, because they are dependent for drinking water on wells located within three miles of the site.

RAI has identified owners, operators and generators as parties potentially responsible for disposing of hazardous/industrial wastes at the waste disposal facility site; these parties include:

- ✓ ● Occidental Chemical Corporation
- ✓ ● Firestone Tire & Rubber Company
- General Services Administration, Office of Real Estate Sales
- Jacobs Aircraft Engine Company

Research reveals that Occidental Chemical and Firestone Tire & Rubber are in sound financial condition, and are in a position to pay for cleanup costs. General Services Administration is a Federal Agency. Jacobs Aircraft Engine Company and its successors are no longer in business.

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FINAL REPORT
POTENTIALLY RESPONSIBLE PARTY SEARCH
OCCIDENTAL CHEMICAL CORPORATION SITE
MONTGOMERY COUNTY, PA
(WORK ASSIGNMENT NO. 23)

Contract 68-01-7321
(RAI Project No. 861181-23)

April 2, 1987

Prepared for:



U. S. ENVIRONMENTAL PROTECTION AGENCY
REGION III

Prepared by:

RESOURCE APPLICATIONS, INC.
Engineers - Scientists - Planners
9291 Old Keene Mill Road
Burke, VA 22015
703/644-9770

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APPENDICES

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RAI MEMORANDA/LETTERS

APPENDIX C

TAX MAPS

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ATTACHMENTS

ATTACHMENTS IA & IB PADER DOCUMENTS

ATTACHMENT II TITLE SEARCH DOCUMENTS
BUSINESS INFORMATION REPORTS,
DUN & BRADSTREET, INC.
MISCELLANEOUS DOCUMENTS

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INTRODUCTION

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I. INTRODUCTION

A. Project Background

The Occidental Chemical Corporation Site is located in Montgomery County (Lower Pottsgrove Township) on a meander loop of the Schuylkill River, about 30 miles northeast of Philadelphia, PA. The City of Pottstown lies a few miles upstream of the site. On a 213-acre site, Occidental Chemical Corporation (OCC) operates a facility to manufacture polyvinyl chloride (PVC) resins from vinyl chloride, vinyl acetate and maleate monomers. Wastes from PVC production have been deposited in a number of disposal facilities; these include: an inactive 17-acre landfill (also referred to as the completed landfill in this report); an active 7-acre landfill; four inactive, unlined seepage lagoons; and two active, lined lagoons. The entire disposal site is located within the 100-year flood plain. ?

In 1942, Jacobs Aircraft Engine Company (JAEC) started using the inactive landfill as an open dump for disposing of waste cutting oils and metal filings generated from its operations. JAEC operated a machine shop for the production of aircraft engines at the site until late 1944.

In 1945, Firestone Tire & Rubber Company (FTR) leased the property from the Defense Plant Corporation (a federal corporation) and subsequently purchased it on April 14, 1951. From 1945 to 1970, FTR operated the now inactive landfill as an open dump. During that period, FTR used the dump for disposal of such wastes as tires, rubber, refinery wastes, pigments, zinc oxide, sulfur dioxide scrubber wastes, rubber flashing and sludge resins. In 1970, FTR converted the open dump into a landfill operation. In early 1971, the Pennsylvania Department of Environmental Resources (PADER) estimated that the landfill received an average of 33 tons of refuse per day, including 6 tons per day of scrap PVC resins. *who disposed of waste in the "open" dump? Firestone?*

The four unlined seepage lagoons were periodically dredged and resulting material disposed of in the landfill. These lagoons (now inactive) received PVC waste from 1945 until 1974. In 1974, two additional lined lagoons were constructed to receive and pretreat the PVC wastewater prior to discharging it into the Borough's sewerage system.

In 1974, FTR submitted an application to PADER for the expansion of its landfill. PADER informed FTR that some type of leachate control system would be necessary prior to approval of the landfill expansion. Subsequently, FTR decided that leachate control could be achieved more cost-effectively by controlling groundwater flow in the area rather than by lining the existing and enlarged landfill. To evaluate the viability of this scheme,

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FTR retained Martin & Martin, Inc., to conduct a hydrogeologic investigation at the site. This study included drilling of four deep wells into bedrock, and 22 monitoring wells adjacent to the landfill site and the six lagoons. The study proposed utilizing on-site deep production wells to prevent off-site migration of leachate.

In 1980, FTR closed the tire manufacturing plant. In December 1980, the entire facility was sold to Hooker Chemicals and Plastics Corporation. Soon after, Hooker became the Occidental Chemical Corporation.

A TCE spill occurred in 1984, and high levels of TCE were subsequently discovered in on-site process water wells. A year later, Occidental closed the inactive landfill. The primary concern at this site is contamination of groundwater by PVC and TCE. About 14,522 persons located within a three-mile radius of the site may be at risk, since their water supply is derived from a local groundwater aquifer.

As a result of prior activities at the site, cleanup of groundwater has become necessary, and EPA has initiated remedial actions. Technical studies, including a site inspection and a Hazard Ranking System (HRS) evaluation, have been prepared by NUS Corporation (Reference 1).

B. Objective

The major objective of this work assignment was to identify parties potentially responsible for contamination at the Occidental Chemical Corporation Site. The Scope of Work outlined in the Work Assignment was as follows:

Phase I

1. Review relevant EPA, state, county, township and local files and obtain relevant documents.
2. Conduct a title search and acquire copies of the deed and tax maps.
3. Obtain names and addresses of persons knowledgeable of site activities; interview such individuals and analyze information obtained for identification of PRPs.
4. Analyze documents and information obtained on site activities and identify PRPs.
5. Assist EPA in sending 104(e) letters to identified PRPs.
6. Research corporate history and financial status of PRPs.
7. Prepare a Draft PRP Report and submit it to EPA.

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Phase II

8. Analyze 104(e) letter responses and provide recommendations concerning identified and additional PRPs.
9. Study EPA's review comments.
10. Incorporate RAI's recommendations and EPA's review comments in the Final PRP Report and submit it to EPA.

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PROJECT APPROACH

II. PROJECT APPROACH

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To achieve the objectives outlined in Section I, RAI carried out a series of tasks which included: case file reviews; site file reviews; record searches at the state, county and township levels; interviewing knowledgeable public and private individuals; corporate status/history reviews; assistance in writing 104(e) letters; and evaluation of responses. Outlined below are the major activities for completion of this assignment:

1. **Discussions with Work Assignment Manager.** RAI has discussed the progress of the project, on a regular basis, with Mr. Francisco Barba, EPA's Work Assignment Manager.

2. **Review and Analysis of EPA Files.** RAI reviewed EPA files concerning the Occidental Chemical Site and obtained photocopies of relevant documents. The documents have been carefully analyzed and two PRPs have been identified (RAI's letter of January 8, 1987, Appendix B).

3. **Contact State and Local Officials.** RAI contacted the following PADER and local officials:

- Mr. Thomas Sheehan
Solid Waste Specialist
PADER
Ridley Creek State Park
Route 6, Sycamore Mills Road
Media, PA 19063
215/565-1687
- Mr. Lawrence H. Lunsik
Solid Waste Facilities Supervisor
PADER
1875 New Hope Street
Norristown, PA 19401
215/270-1941
- Mr. Walter Stanley
PADER
1875 New Hope Street
Norristown, PA 19401
215/270-1941
- Ms. Barbara Bish
PADER
1875 New Hope Street
Norristown, PA 19401
215/270-1941

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- Mr. John N. Gaat
Montgomery County Planning Commission
Courthouse, 1 Montgomery Plaza
Swede & Airy Streets
Norristown, PA 19404
215/270-1920
- Mr. Drew Shaw
Environmental Planner
Montgomery County Planning Commission
Courthouse, 1 Montgomery Plaza
Swede & Airy Streets
Norristown, PA 19404
215/278-3733
- Mr. Gerald G. Richards
President, Board of Commissioners
Township of Lower Pottsgrove
P.O. Box 11
Saratoga, PA 19464
215/323-0436
- Mr. Raymond Umstead
Manager
Township of Lower Pottsgrove
P.O. Box 11
Saratoga, PA 19464
215/323-0436
- County Clerk
Recorder of Deeds
Montgomery County Courthouse
1 Montgomery Plaza
Swede & Airy Streets
Norristown, PA 19404
215/278-3289
- Mr. Thomas J. Harwood, Jr.
Manager
Borough Hall, 241 King Street
Pottstown, PA 19464
215/326-3100

4. Review State and Local Files. On January 14, 1987, RAI personnel attended a meeting with the PADER officials in Norristown, PA, and reviewed files from 1971 onward concerning Occidental Chemical Corporation. RAI Project Team met again with Mr. Drew Shaw, Montgomery County Planning Commission, Norristown, on January 22, 1987, and reviewed the Commission's files concerning the site. Relevant documents were photocopied and brought to RAI's office for further analysis.

5. **Review Site Files.** RAI Project Team visited the office of the Township of Lower Pottsgrove on January 23, 1987, and reviewed local records. Copies of relevant documents were brought to the RAI office for further analysis and identification of responsible parties.

6. **Interview knowledgeable individuals.** RAI conducted telephone interviews with knowledgeable individuals. Persons interviewed included officials of PADER; Montgomery County; Township of Lower Pottsgrove; Pennsylvania Fish Commission; U.S. Coast Guard, Philadelphia; and downstream water users (Keystone Water Company, Phoenixville Water Company, Philadelphia Water, and Citizens Utilities Home Water Company).

RAI also held discussions with Mr. Alfred B. Miles (address: 1181 Mulberry Street, Pottstown, PA 19466; tel: 215/323-3762), ex-employee of Jacobs Aircraft Engine Company (defunct corporation, identified as PRP; see RAI's letter of January 8, 1987, Appendix B).

7. **Title Search.** RAI conducted a title search in the office of the Recorder of Deeds, Montgomery County, Norristown, PA, and located relevant deeds. Copies of deeds, leases, tax maps and current assessed value of the property were obtained to serve as documentary evidence.

8. **Corporate History/Status.** RAI has developed information on current corporate status of the identified PRPs through the use of information sources such as:

- **Secretary**
Department of State, Corporation Bureau
Room 308, North Office Building
Harrisburg, PA 17120
717/787-1057
- **Dun & Bradstreet, Inc.**
Credit Services
1 Diamond Hill Road
Murray Hill, NJ 07974
201/665-5330
1-800-342-2477
- **Fairfax City Regional Library**
3915 Chain Bridge Road
Fairfax, VA 22030
703/691-2741

9. **Analysis of Records and Statements.** RAI has carefully evaluated and analyzed relevant documents gathered and the results of interviews to develop information on PRPs.

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10. **Preparation of Draft PRP Report.** RAI prepared the Draft PRP Report detailing findings of its research and submitted it to EPA on February 12, 1987.

11. **Write 104(e) Letters and Review Responses.** RAI assisted EPA in sending letters to PRPs under CERCLA Section 104(e) for obtaining needed information (Appendix B). RAI reviewed responses received from Occidental Chemical Corporation and Firestone Tire & Rubber Company, and incorporated this additional data in the Final PRP Report.

12. **Financial Assessment.** RAI has developed information on financial status of PRPs. These data include fixed assets, current assets, liabilities, retained earnings, long-term debts, common stock, preferred stock, etc.

13. **Preparation of Final PRP Report.** Per instructions (conveyed over the telephone) from Francisco Barba, EPA's Work Assignment Manager, RAI prepared this Final PRP Report. This document updates information presented in the draft report, in light of EPA's comments and information obtained through 104(e) responses.

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SITE BACKGROUND

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III. SITE BACKGROUND

A. Location/Layout

The Occidental Chemical Corporation site is located in Montgomery County (Lower Pottsgrove Township) on a meander loop of the Schuylkill River, about 30 miles northeast of Philadelphia, PA (Figure 1). Pottstown, a community of over 20,000, lies a few miles upstream of the OCC site (Figure 2). On a 213-acre site, OCC operates a facility for the manufacture of polyvinyl chloride (PVC) resins from vinyl chloride, vinyl acetate and maleate monomers. Also produced are calendared sheet goods from PVC and ABS (acrylonitrile-butadiene-styrene) resins, stabilizers, plasticizers, etc.

Waste disposal facilities consist of an inactive 17-acre landfill; an active 7-acre landfill; four inactive, unlined seepage lagoons; and two active lined lagoons. The entire disposal site is located within the 100-year flood plain.

The inactive landfill lies to the south of the OCC plant. This landfill is approximately 1,700 feet long and ranges from 350 feet to 650 feet in width. The landfill rises 30 feet above the flood plain. The active landfill lies to the east of the inactive landfill (Figure 3) and is approximately 1,000 feet long and 300 feet wide.

The four inactive, unlined seepage lagoons are located adjacent to and northeast of the active landfill. These lagoons occupy approximately three acres. In addition, there are two lined lagoons covering approximately three acres adjacent to and north of the seepage lagoons. The active lagoons are 160 feet wide and 350 feet long, and are lined with an impermeable rubber liner (References 2 and 4).

B. Facility Operational Background

The OCC site was originally used by Jacobs Aircraft Engine Company (JAEC) for the production of aircraft engines. During the period 1942-45, JAEC started the inactive landfill as an open dump for disposing of cutting oils and metal filings generated in its operations (References 3 and 4).

From 1945 until 1970, Firestone Tire and Rubber Company (FTR) operated the inactive landfill site as an open dump. FTR landfilled tires, rubber, refinery wastes, pigments, zinc oxide, sulfur dioxide scrubber wastes, and PVC sludge resins. In 1970, FTR converted the open dump into a landfill operation (Reference 4).

In early 1971, PADER estimated that the landfill received an average of 33 tons of refuse per day, including 4 to 6 tons per day of scrap PVC resins. As a result of the increased volume of

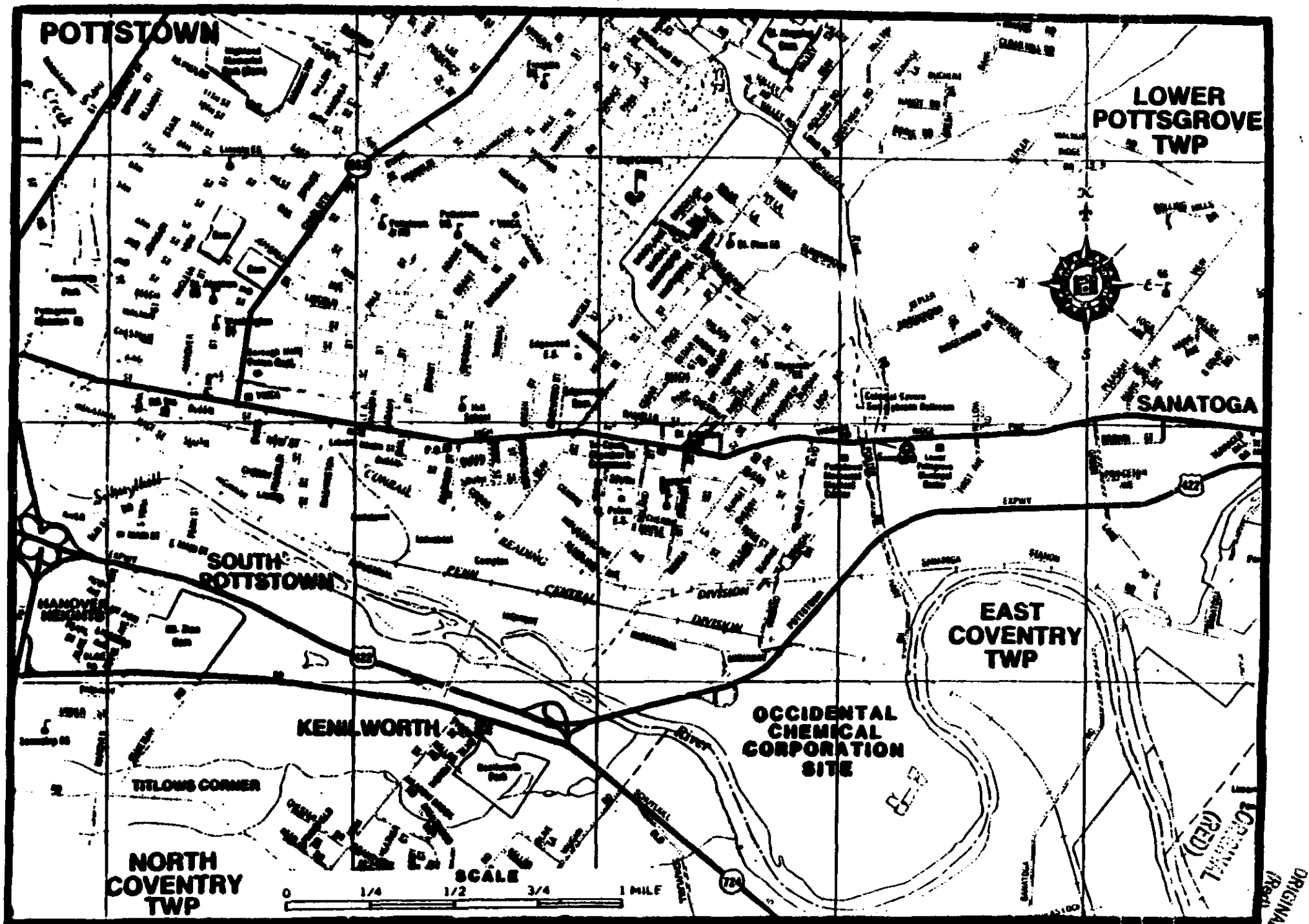
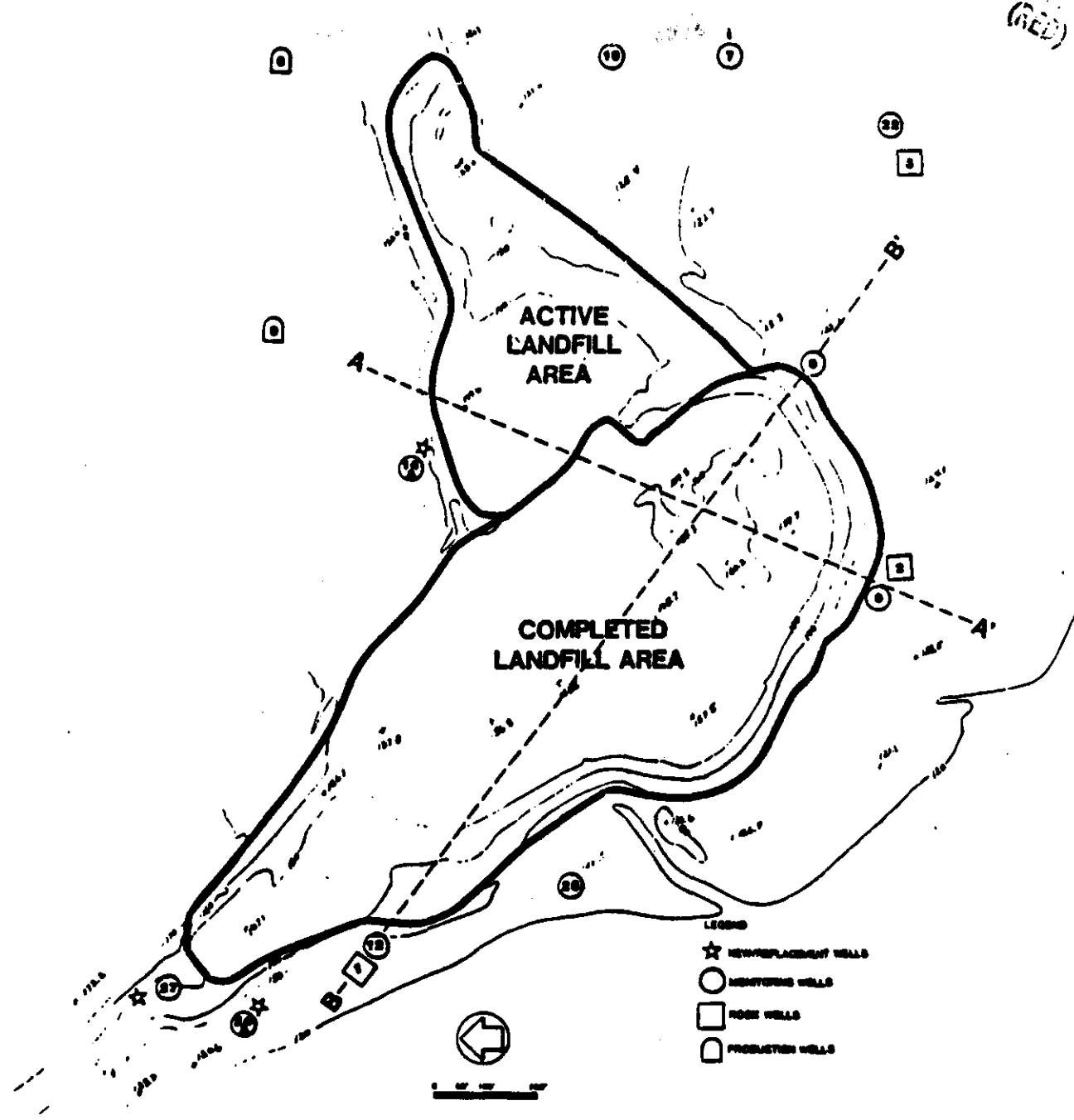


FIGURE 2

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**TOPOGRAPHIC PLAN OF
THE COMPLETED & ACTIVE LANDFILL AREAS**

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waste materials, FTR sought state permission to expand its landfill. PADER advised FTR that a leachate control system would be necessary prior to approval of the expanded landfill (References 3 and 6). FTR decided that leachate control could be best achieved by controlling groundwater flow in the area rather than by lining the existing and enlarged landfill. FTR retained Martin & Martin, Inc., to conduct a detailed hydrogeologic investigation at the site. This study included drilling of four deep wells into bedrock, and 22 monitoring wells adjacent to the two landfills and the six lagoons. The study proposed the utilization of deep wells to prevent off-site migration of leachate (References 5 and 6).

In December 1980, six months following the closure of the tire manufacturing plant, FTR sold the facility to Occidental Chemical Corporation (formerly Hooker Chemicals & Plastics Corporation). OCC currently operates only the PVC manufacturing plant at the facility. Wastes generated in the production of VC are handled as follows: solids in the process effluent are filtered out, mixed with fly ash, and disposed of in the active landfill (Reference 2). The filtered effluent receives some pretreatment (aeration) before being discharged into the Borough's sanitary system for treatment.

OCC experienced a TCE spill in July 1984, in the vicinity of process water well #8. High levels of TCE were observed in well #8; the plume extended toward process water wells #5 and #10. OCC agreed to drill exploratory wells, excavate the contaminated soil, pump wells #5, #8, and #10, and test the wells periodically. The company has phased out the use of TCE at this facility (Reference 2).

The firm of Betz, Converse, and Murdoch, Inc., designed a closure plan for the inactive landfill. The plan has been approved by PADER. In 1985, closure of the old landfill was initiated in accordance with the aforementioned plan.

OCC continues to pump its process wells, as stipulated by PADER in its approval of the new landfill. In light of the TCE spill and the resulting pollution plume, process wells #5, #8 and #10 are dedicated to continuous pumping. The remaining process wells are pumped on a rotating basis. At any given time, one well is down for service or repairs (Reference 2).

C. Permit and Regulatory History

On April 2, 1970, FTR submitted an application to the Pennsylvania Department of Health, Housing and Environmental Control for a permit to operate a solid waste disposal facility (Document No. 230118).

On August 6, 1973, PADER issued Permit #300001 to FTR for solid waste disposal (Document No. 230118).

In 1974, FTR proposed the operation of an experimental pilot plant to study the removal of sulfur dioxide from oil-fired boilerhouse flue gas. This pilot plant generated calcium sulfite, calcium sulfate, and sodium sulfate wastes. PADER initially prohibited FTR from using the existing landfill for disposal of these wastes (Document No. 230118).

On January 15, 1975, FTR submitted a request to PADER for disposal of sulfur dioxide scrubber sludge in their present landfill and in the proposed expansion of the landfill (Document No. 230245).

On September 1, 1977, PADER reissued the permit for the operation of FTR's disposal facility. This permit was for an additional area entitled "active landfill" (Figure 3), along with an area to the west of the completed landfill, which was used for the disposal of sulfur dioxide waste products (Document No. 230226).

On March 6, 1981, an application was filed with PADER to change the name of the permittee from FTR to Hooker Chemicals & Plastics Corporation. This request was amended by an application submitted on September 3, 1982, to change the permittee from Hooker Chemicals & Plastics Corporation to Occidental Chemical Corporation (Document No. 230202).

On January 10, 1983, PADER issued a revised permit, reflecting the name change of the applicant to Occidental Chemical Corporation. This permit still required that all technical features of the former permit be in effect (Document No. 230161).

On March 19, 1985, Occidental Chemical Corporation closed the 17-acre inactive landfill, and PADER issued amended Permit No. 300001 (Document No. 230047).

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TITLE SEARCH FINDINGS

IV. TITLE SEARCH FINDINGS

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The objective of the title search was to identify the owner(s) of the Occidental Chemical Corporation (OCC) Site back to the time when Jacobs Aircraft Engine Company, operated a plant at the site.

RAI conducted searches in Recorder of Deeds' office, Montgomery County, Norristown, PA, and located relevant deeds listed in Table 1. Abstract of title search follows.

● **Jacobs Aircraft Engine Company (JAEC):**

On October 6, 1941, JAEC purchased two pieces of property (117 acres 50 perches and 138 acres 151 perches) from J. Elmer Porter and Annilla N. Porter (wife); and Rhea B. Rutter and Elizabeth Bowen Rutter (wife). These transactions are recorded in Montgomery County Deed Book 1422, p. 447, and Deed Book 1422, p. 451, respectively (Documents No. 230309 and No. 230313).

On February 4, 1942, JAEC purchased 13 acres 43 perches from Ernest Banks and Cynthia Banks (wife). The transaction is recorded in Montgomery County Deed Book 1446, p. 458 (Document No. 230317).

● **Defense Plant Corporation (DPC):**

On May 20, 1942, DPC purchased 256.086 acres 41 perches property from JAEC. The transaction is recorded in Montgomery County Deed Book 1464, p. 273 (Document No. 230321).

On February 1, 1945, DPC purchased 13 acres 43 perches from JAEC, and the transaction is recorded in Deed Book 1634, p. 288 (Document No. 230325).

On January 21, 1948, JAEC sold a piece of land to V. M. Greer, of Cuyahoga Falls, Ohio, and the transaction is recorded in Deed Book 1896, p. 266 (Document No. 230329).

● **Firestone Tire & Rubber Company (FTR):**

On March 19, 1948, FTR purchased a piece of land from V. M. Greer, and the transaction is recorded in Deed Book 2070, p. 503 (Document No. 230333).

On April 14, 1950, FTR purchased 256.08 acres 41 perches from Reconstruction Finance Corporation and United States of America (acted through General Services Administration). The transaction is listed in Montgomery County Deed Book 2076, p. 117 (Document No. 230339).

TABLE 1

Chain of Title for Occidental Chemical Corporation Site, Pottstown, PA

Deed Book Number	Page No.	Document No.	Consideration (in dollars)	Date Recorded	Grantor	Grantee	Area	Remarks
1422	447	230309	20,000	10/06/41	J. Elmer Porter & Amelia M. Porter (wife)	Jacobs Aircraft Engine Co. (JABC)	117 acres 50 perches	Indenture
1422	451	230313	17,000	10/06/41	Shen D. Butler & Elizabeth Evans Butler (wife)	JABC	138 acres 151 perches	Indenture
1446	448	230317	12,000	02/04/42	Ernest Banks & Cynthia Banks (wife)	JABC	13 acres 43 perches	Deed
1464	273	230321	39,335	05/20/42	JABC	Defense Plant Corporation (DPC) created by Reconstruction Corporation (RNC)	256.046 acres 41 perches	Indenture
1634	248	230325	10,000	02-01-45	JABC	DPC	13 acres 43 perches	Indenture
1896	266	230329	1	01-21-48	JABC	V. M. Greer	Piece of land	Indenture
2070	503	230333	10	03-19-48	V. M. Greer	Pirestone Tire & Rubber Co. (PTR)	-40-	Deed
2076	117	230339	6,115,440	04-14-50	Reconstruction Finance Corporation & RNC acted through RNC	PTR	256.046 acres 41 perches	Quit Claim Deed
2649	500	230351	600	03-16-56	Philadelphia Electric Co.	PTR	3.779 acres	Indenture
3545	417	230355	8,000	02-18-69	Continental Bank & Trust Co. succeeded by merger to Nat'l Bank of Pottstown Trustee under will of John L. Schels, etc.	PTR	6.556 acres	Indenture
4505	338	230362	11,000,000	12-02-80	PTR	Hooker Chemicals & Plastics Corporation	Premises A Piece of land Premises B: Tract I Tract II Premises C Premises D: Tract I Tract II	- Quit Claim Deed - 256.686 Acres - Eight-of-Nay - 3.779 acres - 4.945 acres - 1.611 acres
4756	763	230372	3,000,000	12-28-84	Occidental Chemical Corp. (changed name from Hooker Chemicals & Plastics Corp.)	MCW Associates, Ltd.	40.86 acres	Indenture

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On March 16, 1956, FTR purchased a piece of property (3.779 acres) from Philadelphia Electric Company, and the transaction is recorded in Montgomery County Deed Book 2669, p. 500 (Document No. 230351).

On February 18, 1969, FTR purchased 6.556 acres of land from Continental Bank & Trust Company, succeeded by merger to National Iron Bank of Pottstown, Trustee, under the will of John L. Schulz, deceased, and William C. Gutmueller and Hilda Gutmueller (wife). The transaction is recorded in Deed Book 3545, p. 417 (Document No. 230355).

● **Hooker Chemicals and Plastics Corporation:**

On December 2, 1980, Hooker Chemicals & Plastics Corporation purchased the entire property described in Deed Book 4585, p. 338 from FTR (Document No. 230362). Hooker Chemicals & Plastics Corporation changed its name to Occidental Chemical Corporation.

According to Montgomery County records, the market value of the property is \$11,588,900 (Document No. 230418). The property is identified by parcel #42-00-01333-00-2. Boundaries of the property are shown in the following Tax Maps (Appendix C):

Map #1 (Block 27) Units 13 and 14
Map #2 (Block 28) Units 2 and 3
Map #3 (Block 29) Unit 1

On December 28, 1984, Occidental Chemical Corporation sold 40.86 acres of land and warehouse building to BCW Associates, Ltd. OCC derived revenue of 3 million dollars from this sale. The transaction is recorded in Montgomery County Deed Book 4756, p. 763 (Document No. 230372), and boundaries of the property are shown on revised map No. 4 (Appendix C).

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POTENTIALLY RESPONSIBLE PARTIES

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V. POTENTIALLY RESPONSIBLE PARTIES

RAI has identified the following Potentially Responsible Parties (PRPs) based on documents obtained from the Environmental Protection Agency, Region III; Pennsylvania Department of Environmental Resources (PADER); Montgomery County Recorder of Deeds; Lower Pottsgrove Township; and information gathered during interviews with individuals knowledgeable about the site. The identified PRPs are listed below:

- | | |
|--|--------------------------------------|
| 1. Occidental Chemical Corporation
(Formerly Hooker Chemicals & Plastics Corporation)
Attn: Steven Schaefer, Executive Vice President
Box 599
Pottstown, PA 19464
215/327-6400 | OWNER/OPERATOR/
GENERATOR |
|--|--------------------------------------|

RAI has identified Occidental Chemical Corporation (OCC) as a generator and owner/operator of the site. Thus, OCC is liable for cost recovery action under CERCLA Section 107.

On November 16, 1903, the parent company, Hooker Electrochemical Corporation, was incorporated under the laws of the State of New York. In 1958, Hooker Electrochemical Corporation changed its name to Hooker Chemical Corporation. In 1974, its name was changed to Hooker Chemical & Plastics Corporation. In 1982, the name was changed to Occidental Chemical Corporation (Document No. 230382).

OCC is the subsidiary of Oxy C. H. Corporation, Los Angeles, CA, and was incorporated in 1973.

Further, Oxy C. H. Corporation is a wholly-owned subsidiary of Occidental Petroleum Investment Corporation, which, in turn, is a wholly-owned subsidiary of Occidental Petroleum Corporation, Los Angeles, CA (Document No. 230383).

OCC has 9 direct and 20 indirect subsidiaries located throughout the United States, which manufacture agricultural pesticides, industrial cyclic organic chemicals and synthetic resin-finished products (Document No. 230383).

According to Dun & Bradstreet, Inc., the management of OCC agreed to sell its process chemical business to Henkle Corporation. It is anticipated that the sale will be completed in early 1987 (Document No. 230385).

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2. **Firestone Tire & Rubber Co.**
John J. Nevin, Chairman
1200 Firestone Parkway
Akron, OH 44317
216/379-7000

OWNER/OPERATOR/
GENERATOR

RAI has cited FTR as a PRP because it was a waste generator and owner/operator of the property from 1950-80. RAI has already recommended that a 104(e) letter be issued to FTR (Appendix B).

The company was incorporated in Ohio on March 4, 1910 (Document No. 230400). FTR also owns 48 percent of Firestone Hispanico S.A., Bilbao, Spain, and 49 percent of Mulera El Centenario S.A., Mexico City, Mexico (Document No. 230401).

FTR has 31 plants in the United States and foreign countries. Additionally, it also has 1,600 company-owned stores for the sale of auto products and auto maintenance services (Document No. 230401).

FTR has over 30 direct and indirect subsidiaries. Many are foreign corporations engaged in the manufacture and distribution of the company's products in foreign markets (Document No. 230401).

3. **General Services Administration (GSA)**
Office of Real Estate Sales (No. 4 D.R.)
Attn: Patricia Bailey
75 Spring Street, SW
Atlanta, GA 30303
404/331-5133

OWNER

On May 20, 1942, Defense Plant Corporation purchased the property from Jacobs Aircraft Engine Company. The Defense Plant Corporation was established on Aug. 22, 1940, under section 5d of Reconstruction Finance Corporation Act, to produce, acquire, carry, sell or otherwise deal in strategic and critical materials; to acquire or dispose of plants for their manufacture; to acquire or dispose of railroad and commercial aircraft equipment; and to acquire or dispose of facilities for training of aviators. Transferred from Federal Loan Agency to Department of Commerce by EO 9071 of Feb. 24, 1945 (59 Stat. 5; 12 U.S.C. 1801). Dissolved by act approved June 30, 1945 (59 Stat. 310; 15 U.S.C. 605 k-1, 606b note), and functions, powers, duties and authority transferred to the Reconstruction Finance Corporation effective July 1, 1945 (Document No. 230306, U.S. Government Manual, 1986/87, p. 752). On April 14, 1950, Reconstruction Finance Corporation (RFC) and United States of America acted through GSA as a Grantor and sold the property to Firestone Tire and Rubber Company (Document No. 230339).

Reconstruction Finance Corporation was established as a corporate body by Reconstruction Finance Corporation Act, approved Jan. 22, 1932 (47 Stat. 5; 15 U.S.C. 601 et seq.), formally organized and

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operations begun Feb. 2, 1932. Purposes of Corporation were to aid in financing agriculture, commerce, and industry, to encourage small business, to help in maintaining economic stability of the country, and to assist in promoting maximum employment and production (Document No. 230308).

RFC was grouped with other agencies to form Federal Loan Agency by Reorg. Plan No. 1 of 1939. Transferred to Department of Commerce by EO 9071 of Feb. 24, 1942. Returned to Federal Loan Agency pursuant to an act approved Feb. 24, 1945 (59 Stat. 5; 12 U.S.C. 1801). Act approved June 30, 1947 (Sec. 204, 61 Stat. 202; 12 U.S.C. 1801), abolished Federal Loan Agency and all functions assumed by RFC (Document No. 230308).

Board of Directors of RFC, established by RFC Act of Jan. 22, 1932 (47 Stat. 5; 15 U.S.C. 601 et seq.) was abolished by Reorg. Plan No. 1 of 1951, effective May 1, 1951, and functions transferred to Administrator of Loan Policy Board, established by same plan, effective April 30, 1951.

Act approved July 30, 1953 (67 Stat. 230; 15 U.S.C. 603 note), provided for RFC succession until June 30, 1954, and for termination of its lending powers on Sept. 28, 1953. Reorg. Plan No. 2 of 1954, assigned to appropriate agencies for liquidation of certain functions of RFC, effective July 1, 1954. (Source: U.S. Government Manual 1986/87, p. 813, Document No. 230308).

Reorganization Plan No. 1 of 1957, effective June 30, 1957, abolished RFC and transferred its remaining functions to Housing and Home Finance Agency, General Services Administration, Small Business Administration, and Department of the Treasury.

RAI has identified GSA as an owner of the property from 1942 to 1950 and, hence, cited as a PRP. RAI recommends to EPA that 104(e) letter be issued to GSA, Real Estate Sales, Atlanta, GA.

4. Jacobs Aircraft Engine Company (JAEC)

Although no records exist concerning hazardous waste disposal by JAEC, it is inferred that such wastes were generated and disposed of at the site by the firm. RAI's research reveals that Jacobs Aircraft Engine Company, the firm that operated a plant at the site prior to Firestone Tire & Rubber Company, as well as its successors, are defunct.

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FINANCIAL ASSESSMENT

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VI. FINANCIAL ASSESSMENT

RAI has developed the following information on the financial condition of OCC and FTR:

1. Occidental Chemical Corporation

According to Dun & Bradstreet, Inc., the financial data for the fiscal year ending December 31, 1985, are as follows (Document No. 230384):

1. Current Assets	\$ 267,769,427
2. Fixed Assets	585,341,923
3. Total Assets	1,218,714,036
4. Current Liabilities	123,777,239
5. Long Term Debt	66,587,328
6. Due to Affiliates	67,155,733
7. Long Term Liabilities	83,574,311
8. Additional Paid-in Capital	655,584,660
9. Retained Earnings	222,029,765

Overall financial condition of Occidental is good (Document No. 230379-230393).

Stock: Authorized capital consists of 5,000,000 common stock shares with \$1 par value. Oxy C. H. Corporation owned 100 percent of capital stock.

2. Firestone Tire & Rubber Company

The financial data for FTR for the fiscal year ending October 31, 1985, are as follows (Source: Dun & Bradstreet, Inc., Document No. 230397):

1. Current Assets	\$1,284,000,000
2. Current Liabilities	902,000,000
3. Working Capital	382,000,000
4. Other Assets	1,244,000,000
5. Long Term Debt	234,000,000
6. Worth	1,163,000,000
7. Sales	3,836,000,000
8. Net Income	3,000,000
9. Retained Earnings	1,364,000,000

According to Dun & Bradstreet, Inc., the financial condition of FTR is strong (Document No. 230395-230412).

Stock: Authorized capital consists of 120,000,000 common stock shares as of October 31, 1985. At that time, the number of shareholders was 31,148. The company shares are listed on the New York, Pacific Coast and London Stock Exchanges. On October

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31, 1985, paid in capital was \$176,000,000. The officers and directors of the company own less than one percent of the capital stock; the balance is owned publically.

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REFERENCES

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VIII. REFERENCES

1. NUS, Hazard Ranking System for Occidental Chemical Corporation prepared under TDD No. F3-8602-31, July 28, 1986.
2. NUS, Site Inspection Report of Occidental Chemical Corporation prepared under TDD No. F3-8509-06, July 2, 1986.
3. BCM Eastern, Inc., Revised Landfill Closure Plan, Phase I (Application for Permit for Solid Waste Disposal), August 2, 1984.
4. PADER, Site Inspection Report #002334757, August 7, 1980.
5. Martin & Martin, Inc., Groundwater Module Phase II. Firestone Landfill, February 1, 1977.
6. Martin & Martin, Inc., Hydrology of the Existing Landfill, Proposed Landfill, and Sludge Lagoons, December 1, 1975.

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APPENDICES

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APPENDIX A - DOCUMENT INDEX

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APPENDIX A

DOCUMENT INDEX

<u>Document No.</u>	<u>Description</u>
230001	Letter from J. A. King, OCC, to PADER, Jan. 16, 1986.
230002	Letter from J. A. King, OCC, to PADER, Jan. 27, 1986.
230003-06	Letter from Weston Services, Inc., to BCW Associates, Ltd., Jan. 30, 1986.
230007	Letter from Robert A. Swift, Kohn, Savett, Marion & Graft, P.C., to Robert D. Luss, Esq., Feb. 19, 1986.
230008	Letter from Robert A. Swift, Kohn, Savett, Marion & Graft, P.C., to President, FTR, Feb. 19, 1986.
230009-11	Letter from D. J. Henry, OCC, to PADER, May 20, 1986.
230012	Letter from J. A. King, OCC, to PADER, May 20, 1986.
230013	Memorandum from S. M. Marcucci, Hydrologist to L. H. Lansky, PADER, June 16, 1986.
230014-15	Letter from L. L. Lukowiak, OCC, to T. Sheehan, PADER, Feb. 4, 1986.
230016-17	Letter from L. L. Lukowiak, OCC, to T. Sheehan, PADER, March 4, 1986.
230018-19	Letter from L. L. Lukowiak, OCC, to J. Sheehan, PADER, April 1, 1986.
230020-21	Letter from L. L. Lukowiak, OCC, to T. Sheehan, PADER, May 9, 1986.
230022-23	Letter from L. L. Lukowiak, OCC, to T. Sheehan, PADER, June 2, 1986.
230024-25	Letter from L. L. Lukowiak, OCC, to T. Sheehan, PADER, July 1, 1986.
230026-27	Letter from L. L. Lukowiak, OCC, to T. Sheehan, PADER, Sept. 8, 1986.

Document No.**Description**

230028-29 Letter from L. L. Lukowiak, OCC, to T. Sheehan, PADER, Oct. 2, 1986.

230030-31 Letter from L. L. Lukowiak, OCC, to T. Goodwald, PADER, Nov. 10, 1986.

230032-33 Letter from L. L. Lukowiak, OCC, to T. Goodwald, PADER, Dec. 18, 1986.

230034 Memorandum from D. C. Orenshaw, Regional Engineer to L. H. Lunsk, Facilities Supervisor, PADER, Jan. 2, 1985.

230035 Letter from J. A. King, OCC, to PADER, Jan. 22, 1985.

230036 Memorandum from D. M. Mas. Soil Scientist, to Dennis Orenshaw, Sanitary Engineer, PADER, Feb. 8, 1985.

230037-38 Memorandum from P. Rotstein, Hydrologist to L. H. Lunsk, Solid Waste Facilities Supervisor, PADER, Feb. 15, 1985.

230039-42 Letter from K. H. Garner, OCC, to L. H. Lunsk, Solid Waste Facilities Supervisor, PADER, Feb. 28, 1985.

230043-44 Letter from K. H. Garner, OCC, to PADER, March 6, 1985.

230045 Memorandum from D. M. Mason, Soil Scientist, to L. H. Lunsk, PADER, March 13, 1985.

230046 Letter from W. L. Lynn, Regional Solid Waste Manager, PADER, to K. H. Garner, OCC, March 27, 1985.

230047-48 Letter from W. L. Lynn, Regional Solid Waste Manager, PADER, to K. H. Garner, OCC, March 19, 1985.

230049-50 Letter from T. Sheehan, Solid Waste Specialist, PADER, to J. A. King, OCC, March 29, 1985.

230051-52 Letter from J. A. King, OCC, to PADER, April 11, 1985.

230053 Letter from R. E. Umstead, Lower Pottsgrove Township, to OCC, May 7, 1985.

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<u>Document No.</u>	<u>Description</u>
230054	Letter from R. D. Reber, Jr., member, House of Representatives, Harrisburg, to PADER, May 9, 1985.
230055-56	Letter from M. M. King, BCM Eastern, Inc., to L. H. Lunsk, PADER, May 15, 1985.
230057	Letter from L. T. Gonshor, Regional Director, PADER, to R. D. Rober, Jr., House of Representatives, May 17, 1985.
230058	Letter from J. M. Gaadt, Montgomery County Planning Commission, to L. H. Lunsk, PADER, June 6, 1985.
230059	Letter from R. E. Umstead, Manager, Lower Pottsgrove Township, to PADER, June 13, 1985.
230060	Letter from J. A. King, OCC, to PADER, June 14, 1985.
230061	Letter from M. M. King, BCM Eastern, Inc., to K. B. Hughes, Montgomery County Planning Commission, July 18, 1985.
230062	Letter from G. G. Richards, Lower Pottsgrove Township, to PADER, July 29, 1985.
230063	Letter from M. M. King, BCM Eastern, Inc., to L. T. Gonshor, PADER, Aug. 5, 1985.
230064-65	Memorandum from D. Orenshaw, Sanitary Engineer to L. H. Lunsk, Solid Waste Facilities Supervisor, PADER, Aug. 21, 1985.
230066-67	Letter from L. H. Lunsk, PADER, to K. H. Garner, OCC, Aug. 26, 1985.
230068-69	Letter from R. M. Russell, BCM Eastern, Inc., to PADER, Sept. 13, 1985.
230070-71	Letter from W. L. Lynn, PADER, to K. H. Garner, OCC, Oct. 3, 1985.
230072-73	Letter from J. A. King, OCC, to PADER, Oct. 29, 1985.
230074-75	Letter from M. M. King, BCM Eastern, Inc., to W. L. Lynn, PADER, Dec. 17, 1985.

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<u>Document No.</u>	<u>Description</u>
230076	Letter from J. A. King, OCC, to PADER, Dec. 10, 1985.
230077-78	Letter from A. E. Schmeck, OCC, to J. Ort, PADER, March 18, 1985.
230079-81	Letter from A. E. Schmeck, OCC, to J. Ort, Hydrologist, PADER, Aug. 19, 1985.
230082-84	Letter from L. L. Lukowiak, OCC, to J. Ort, PADER, Nov. 19, 1985.
230085-106	Letters from A. E. Schmeck, OCC, to T. Sheehan, PADER, Dec. 4, 1985.
230107-126	Letter from R. E. Valiga, BCM Eastern, Inc., to W. Lynn, PADER, Aug. 2, 1984.
230127-128	Letter from L. L. Lukowiak, OCC, to T. Sheehan, PADER, Sept. 12, 1984.
230129-130	Letter from L. T. Conshor, PADER, to OCC, Oct. 11, 1984.
230131-132	Letter from K. B. Hughes, Montgomery County Planning Commission, to L. H. Lunsik, PADER, Dec. 5, 1984.
230133-134	Letter from J. A. King, OCC, to PADER, Dec. 5, 1984.
230135-136	Letter from T. Sheehan, PADER, to J. A. King, OCC, Dec. 12, 1984.
230137	Letter from V. J. Janosik, PADER, to J. A. King, OCC, Jan. 20, 1984.
230138	Letter from J. A. King, OCC, to T. Sheehan, PADER, Jan. 23, 1984.
230139	Letter from J. A. King, OCC, to PADER, Feb. 2, 1984.
230140-159	Letters from A. E. Schmeck, OCC, to T. Sheehan, PADER, Jan. 30, 1984.
230160-163	Letter from W. L. Lynn, PADER, to K. N. Garner, OCC, Jan. 10, 1983.
230164	Letter from S. P. Dominick, Jr., OCC, to W. Lynn, PADER, Jan. 19, 1983.

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<u>Document No.</u>	<u>Description</u>
230165	Letter from L. H. Lunsch, PADER, to J. A. King, OCC, Jan. 25, 1983.
230166	Letter from J. A. King, OCC, to W. Lynn, PADER, Jan. 13, 1983.
230167-69	Letter from A. E. Schmeck, OCC, to J. Ort, Hydrologist, PADER, Feb. 11, 1983.
230170-71	Letter from L. H. Lunsch, PADER, to J. A. King, OCC, Feb. 25, 1983.
230172	Letter from J. A. King, OCC, to PADER, March 31, 1983.
230173	Letter from J. A. King, OCC, to L. H. Lunsch, PADER, Dec. 2, 1983.
230174	Letter from J. A. King, OCC, to PADER, Oct. 11, 1983.
230175-77	Letter from A. E. Schmeck, OCC, to G. Galida, PADER, Oct. 31, 1983.
230178	Notice of Violation from PADER to OCC, Nov. 30, 1983.
230179	Letter from J. E. Schmeck, OCC, to J. Ort, PADER, Nov. 22, 1983.
230180-83	Letters from A. E. Schmeck, OCC, to T. Sheehan, PADER, Aug. 2, 1983.
230184-86	Letter from J. A. King, OCC, to L. H. Lunsch, PADER, June 21, 1982.
230187	Letter from T. Sheehan, PADER, to A. E. Schmeck, Hooker Chemicals & Plastics Corporation, June 22, 1982.
230188-89	Letter from L. T. Conshor, PADER, to OCC, July 16, 1982.
230190-91	Letter from J. A. Mack, OCC, to L. H. Lunsch, PADER, Nov. 9, 1982.
230192	Letter from L. H. Lunsch, PADER, to J. A. King, OCC, Nov. 9, 1982.
230193-94	Letter from T. Sheehan, PADER, to J. A. King, OCC, July 16, 1982.

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230195-98	Letter from J. A. King, OCC, to PADER, Dec. 8, 1982.
230199	Letter from L. H. Lunsik, PADER, to R. L. Yohe, Hooker Chemicals & Plastics Corporation, Jan. 2, 1981.
230200	Letter from T. Sheehan, PADER, to J. A. King, Hooker Chemicals & Plastics Corporation, Feb. 23, 1981.
230201	Letter from J. A. King, Hooker Chemicals, to L. Lutz, PADER, March 6, 1981.
230202-03	Letter from J. A. King, Hooker Chemicals, to L. Lunsik, PADER, March 16, 1981.
230204	Letter from J. A. King, Hooker Chemicals, to S. Bulkin, EPA, Region III, April 1, 1981.
230205	Letter from J. A. King, Hooker Chemicals, to J. Henry, EPA, Region III, April 8, 1981.
230206-07	Letter from J. A. King, Hooker Chemicals, to G. Galida, PADER, May 14, 1981.
230208-09	Letter from S. D. Bulkin, U.S. EPA, to J. King, Hooker Chemicals & Plastics Corporation, July 16, 1981.
230210	Letter from J. A. King, Manager, Hooker Chemicals, to L. H. Lunsik, PADER, July 28, 1981.
230211-13	Letter from J. A. King, Hooker Chemicals, to W. Walsh, EPA, Region III, Aug. 26, 1981.
230214	Letter from L. H. Lunsik, PADER, to J. A. King, Hooker Chemicals, Sept. 1, 1981.
230215	Letter from J. A. King, Hooker Chemicals, to L. H. Lunsik, PADER, Oct. 1, 1981.
230216	Letter from L. H. Lunsik, PADER, to J. A. King, Hooker Chemicals, Sept. 1, 1981.
230217-18	Letter from J. R. Laman, Firestone Tire & Rubber (PTR), to C. L. Jones, PADER, April 21, 1980.

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<u>Document No.</u>	<u>Description</u>
230219-20	Letter from Director, PADER, to Environmental Engineer, FTR, May 19, 1980.
230221	Memorandum from P. L. Yaniga, to W. L. Lynn, PADER, March 1, 1977.
230222-23	Letter from W. W. Madden, FTR, to W. Lynn, PADER, April 5, 1977.
230224-25	PADER memorandum from P. M. Yaniga to W. L. Lynn, May 10, 1977.
230226	Letter from PADER to W. Madden, FTR, Sept. 1, 1977.
230227	Letter from R. M. Bodner, Martin & Martin, Inc., to W. C. Bucciarelli, PADER, Aug. 11, 1977.
230228-30	Proceedings of PADER meeting, March 21, 1976.
230231	Letter from R. M. Bodner, Martin & Martin, Inc., to W. Lynn, PADER, April 19, 1976.
230232-33	Letter from W. L. Lynn, PADER, to W. L. Madden, FTR, July 23, 1976.
230234	Letter from Pennsylvania Institute of Environmental Sciences to R. M. Bodner, Martin & Martin, Inc., Aug. 5, 1976.
230235-36	Memorandum from P. M. Yaniga to W. L. Lynn, PADER, July 8, 1976.
230237-38	Letter from W. L. Lynn, PADER, to W. J. Madden, FTR, July 23, 1976.
230239-42	Consent Agreement between PADER and FTR, Jan. 5, 1976.
230243-44	Letters from R. M. Bodner, Martin & Martin, Inc., to W. L. Lynn, PADER, Nov. 5, 1976.
230245	Letter from W. J. Madden, FTR, to W. L. Lynn, PADER, Jan. 15, 1975.
230246	Memorandum from J. F. Zwalinski to W. L. Lynn, PADER, Jan. 29, 1975.
230247-48	Memorandum from D. E. Lindorff to W. L. Lynn, PADER, April 9, 1975.

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<u>Document No.</u>	<u>Description</u>
230249-50	Memorandum from D. E. Lindorff to W. L. Lynn, PADER, April 9, 1975.
230251-53	Memorandum from J. F. Zwalinski to W. L. Lynn, PADER, April 17, 1975.
230254-55	Letter from W. L. Lynn, PADER, to W. Madden, PTR, May 29, 1975.
230256-58	Letter from R. M. Bodner, Martin & Martin, Inc., to W. L. Lynn, PADER, July 2, 1975.
230259	Memorandum from J. F. Zwalinski to W. L. Lynn, PADER, July 10, 1975.
230260-62	Letter from W. L. Lynn, PADER, to W. Madden, PTR, Oct. 24, 1975.
230263-64	Memorandum from P. M. Yaniga to W. L. Lynn, PADER, Oct. 21, 1975.
230265	Letter from R. M. Bodner, Martin & Martin, to W. L. Lynn, PADER, Nov. 10, 1975.
230266	Memorandum from W. L. Lynn to W. C. Bucciarelli, PADER, Dec. 3, 1975.
230267	Memorandum from G. W. Buchanan to Rao Kona, PADER, Dec. 30, 1975.
230268	Memorandum from J. F. Zwalinski to W. L. Lynn, PADER, Feb. 26, 1974.
230269-70	Letter from W. Madden, PTR, to W. L. Lynn, PADER, April 8, 1974.
230271	Conference Report, Sanders & Thomas, Inc., June 4, 1974.
230272	Letter from W. Madden, PTR, to W. L. Lynn, PADER, June 28, 1974.
230273	Letter from R. Zaharchuk, PTR, to PADER, Sept. 26, 1974.
230274-75	Letter from J. F. Zwalinski, PADER, to W. Madden, PTR, Oct. 8, 1974.
230276	Memorandum from D. E. Lindorff to W. L. Lynn, PADER, Oct. 31, 1974.

Document No.**Description**

230277 Letter from W. Madden, FTR, to G. W. Buchanan, PADER, March 28, 1972.

230278-79 Letter from L. K. Legatski, FMC Corporation, to W. Madden, FTR, Dec. 5, 1973.

230280 Letter from W. Madden, FTR, to W. Lynn, PADER, Dec. 12, 1973.

230281 Letter from W. C. Bucciarelli, PADER, to W. Madden, FTR, July 15, 1971.

230282 Memorandum from G. K. Stinson to W. L. Lynn, PADER, Aug. 19, 1971.

230283 News Analysis, Plastics World, Nov. 1980.

230284-304 Lower Pottsgrove Township documents.

230305-308 U. S. Government Manual 1986/87.

Title Search Documents

230309-312 Deed Book 1422, p. 447

230313-316 Deed Book 1422, p. 451

230317-320 Deed Book 1446, p. 458

230321-324 Deed Book 1464, p. 273

230325-328 Deed Book 1634, p. 288

230329-332 Deed Book 1896, p. 266

230333-338 Deed Book 2070, p. 503

230339-350 Deed Book 2076, p. 117

230351-354 Deed Book 2669, p. 500

230355-361 Deed Book 3545, p. 417

230362-371 Deed Book 4585, p. 338

230372-378 Deed Book 4756, p. 763

Document No.

Description

Dun & Bradstreet Documents

230379-393

Occidental Chemical Corporation

230394-412

Firestone Tire & Rubber Co.

Misc. Documents

230413-417

Articles of Incorporation of Jacobs
Aircraft Engine Co.

230418

Property Assessment

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APPENDIX B - RAI MEMORANDA/LETTERS



Resource Applications, Inc.
Engineers - Scientists - Planners

MEMORANDUM

DATE: January 20, 1987

TO: Francisco Barba, Work Assignment Manager
cc: Ms. Elaine Spiewak

FROM: Tara Singh, ^{TS} Program Director

SUBJECT: Progress Report/Occidental Chemical Site, Pottstown, PA

To accomplish the assigned tasks, RAI visited the following offices:

Pennsylvania Department of Environmental Resources,
Norristown

Recorder of Deeds, Montgomery County, Norristown

In accordance with the tasks contained in the Work Assignment and the approved Work Plan, progress on the Work Assignment to date is summarized as follows:

1. **Discussion with Work Assignment Manager.** RAI has been discussing the progress of the project, on a regular basis with the Work Assignment Manager.
2. **Review and Analysis of EPA files.** RAI reviewed EPA files concerning the Occidental Chemical Site and obtained copies of relevant documents. The documents have been carefully analyzed and two Potentially Responsible Parties (PRPs) have been identified (RAI's letter of January 8, 1987).
3. **Contacts/State and Local Officials.** RAI has been in touch with the following PADER and local officials:

Thomas Sheehan
Solid Waste Specialist
PADER
Ridley Creek State Park
Route 6, Sycamore Mills Road
Mediapa, PA 19063
215/565-1687

Lawrence H. Lunsik
Solid Waste Facilities Supervisor
PADER
1875 New Hope Street
Norristown, PA 19401
215/270-1941

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John M. Gaat
Montgomery County Planning Commission
Courthouse, 1 Montgomery Plaza
Swede & Airy Streets
Norristown, PA 19404
215/270-1920

Drew Shaw
Environmental Planner
Montgomery County Planning Commission
Courthouse, 1 Montgomery Plaza
Swede & Airy Streets
Norristown, PA 19404
215/278-3733

Gerald G. Richards
President, Board of Commissioners
Township of Lower Pottsgrove
P.O. Box 11
Saratoga, PA 19464
215/323-0436

Raymond Umstead
Manager
Township of Lower Pottsgrove
P.O. Box 11
Saratoga, PA 19464
215/323-0436

4. Review State and Local Files. On January 14, 1987, RAI had a meeting with the PADER officials and reviewed files concerning Occidental Chemical Corporation back to the 1971.

5. Review Site Files. RAI Project Team will visit the Montgomery County Planning Commission and Township of Lower Pottsgrove offices on January 22, 1987, to review local records. Copies of relevant documents will be brought to the RAI office for further analysis and identification of responsible parties.

6. Interview knowledgeable individuals. RAI is conducting telephone interviews with knowledgeable individuals. Persons interviewed included officials of PADER; Montgomery County; Township of Lower Pottsgrove; PA Fish Commissioner; U.S. Coast Guard, Philadelphia; and downstream water users (Keystone Water Company, Phoenixville Water Company, Philadelphia Water, and Citizens Utilities Home Water Company).

7. Title Search. RAI conducted a title search in the Recorder of Deeds office, Montgomery County, Norristown, PA, and located relevant deeds listed below.

Date	Deed Book Number	Page No.	Grantor	Grantee
12-03-80	4585	338	Firestone Tire & Rubber Co. (FTR)	Hooker Chemicals & Plastics Corp.
02-18-69	3545	417	Continental Bank & Trust Co. successor by merger to National Bank of Pottstown	FTR
03-16-56	2669	500	Philadelphia Electric Co.	FTR
04-14-50	2076	117	Reconstruction Finance Corp. & U.S. of America acted thru General Services Admin.	FTR
03-19-48	2070	503	V. M. Greer	FTR
11-21-47	1896	266	Jacobs Aircraft Engine Co. (JAEC)	Defense Plant Corp. (DPC)
05-20-42	1464	273	JAEC	DPC
05-06-42	1462	130	Pennsylvania Rail- road Co.	JAEC
03-24-42	1453	317	W.G. Gutmueller & Helene A. (wife), et al.	JAEC
03-25-42	1453	505	Clifford Banks, Sr.	JAEC
05-28-37	1238	440	C.L. Schultz, et al.	Bell Telephone Co.
10-01-34	1185	203	John L. Schultz, et al.	W.L. Gutmueller
10-01-34	1185	195	The Security Trust Co.	J.L. Schultz, et al.
09-12-21	846	195	Rhea B. Butter & Elizabeth Bowen Butter (wife)	Philadelphia Suburban Gas & Electric Co.
03-12-18	767	109	Harry J. Bahr, et al.	Philadelphia Suburban Gas & Electric Co.

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A perusal of this Table shows that relevant property documents have been collected as far back as 1918.

RAI's research reveals that Reconstruction Finance Corporation*, and United States of America acted through General Services Administration as Grantor and sold the property to Firestone Tire and Rubber Company on April 14, 1950 and these parties are identified as owners and, hence, cited as PRPs.

8. Corporate History/Status. RAI has developed information on current status of the following PRPs:

- Occidental Chemical Corporation
(formerly Hooker Chemical Co.)
Attn: Steven Schaefer, Executive Vice President
Box 599
Pottstown, PA 19464
215/327-6400

On November 16, 1903, the parent company (Hooker Electrochemical Corporation) was incorporated in New York. The authorized capital consisted of 5,000,000 shares of common stock, with \$1 par value.

In 1958, the corporation changed its name to Hooker Chemical Corporation. In 1974, the name changed to Hooker Chemical & Plastics Corporation. In 1982, the name was again changed to Occidental Chemical Corporation.

According to Dun and Bradstreet, Inc., the management of Occidental Chemical Corporation has agreed to sell its process chemical business to Henkle Corporation. It is anticipated that the sale will be completed in early 1987.

- Firestone Tire & Rubber Co.
Attn: John J. Nevin, Chairman
1200 Firestone Parkway
Akron, OH 44317
216/379-7000

The company was incorporated in Ohio on March 4, 1910. The authorized capital consists of 120,000,000 shares of common stock with no par value and 10,000,000 shares of preferred stock having no par value. The company shares are listed on the New York, Pacific Coast and London Stock Exchanges. On October 31, 1985, paid in capital was \$176,000,000. The officers and directors of the Firestone Tire and Rubber Company own less than one percent of the capital stock. The balance of capital stock shares are owned by the general public.

* A corporation organized by virtue of the laws of U.S.A., by which corporation has succeeded, pursuant to the provisions of Public Law 109, 79th Congress, approved on June 30, 1945



Resource Applications, Inc.
Engineers - Scientists - Planners

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January 8, 1987

Mr. Francisco Barba
U.S. Environmental Protection Agency
841 Chestnut Building
Philadelphia, PA 19107

Subject: Identification of PRPs/Occidental Chemical Site,
Pottstown, PA

Dear Francisco:

RAI has identified the following Potentially Responsible Parties (PRPs) based on review of documents collected from U.S. EPA, Region III, and recommends that EPA send 104(e) letters to each of them. The PRPs and their mailing addresses are as follows:

- John J. Nevin, Chairman
Firestone Tire & Rubber Company
1200 Firestone Parkway
Akron, Ohio 44317
216/379-7000
- Steven Schaefer, Executive Vice President
Occidental Chemical Corporation
(Formerly Hooker Chemical Co.)
Box 599
Pottstown, PA 19464
215/327-6400

RAI's initial research reveals that Jacobs Aircraft & Engine Co. (JAEC), the firm that operated a plant at the site prior to Firestone Tire & Rubber, as well as its successors, are defunct. RAI is seeking corroborating information concerning the fate of JAEC.

The 104(e) letters to Firestone and Occidental should seek information concerning:

1. Dates of operation of the company plant at the Occidental Chemical Site
2. Nature of its manufacturing business and a list of all products

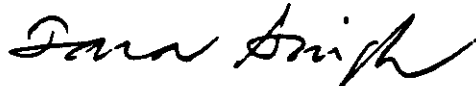
3. Types and quantities of substances sent by the company to the landfill, if any, and supporting documents such as receipts, manifests, etc
4. Date(s) such substances were sent to the landfill
5. The physical state of the substances sent to the landfill, and the manner in which substances were disposed of
6. Correspondence between parties and any regulatory agencies or any other party/parties regarding such substances
7. The identity of, and documents relating to, any other person who transported or arranged for transportation of such substances to the landfill

Please incorporate these statements in the 104(e) letter format and send to each of the PRPs.

Responses to the 104(e) letter will be analyzed by RAI and used for identifying additional PRPs and for strengthening cases against those already so identified. If responses are received in time, information contained therein will be included in the Draft PRP Report. If, however, responses are received after the submission of RAI's draft, the analysis of 104(e) letters will be included in the Final PRP Report.

Sincerely,

RESOURCE APPLICATIONS, INC.



Tara Singh, Ph.D., P.E.
Program Director

Copy: Ms. Elaine Spiewak

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APPENDIX C - TAX MAPS

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APPENDIX C

1. Tax Map #1, (Block 27) Units 13 and 14
2. Tax Map #2, (Block 28) Units 2 and 3
3. Tax Map #3, (Block 29) Unit 1
4. Tax Map #4, Subdivision Plan

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EXECUTIVE SUMMARY

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EXECUTIVE SUMMARY

The Occidental Chemical Corporation (OCC) Site is located in Montgomery County (Lower Pottsgrove Township) on a meander loop of the Schuylkill River, about 30 miles northeast of Philadelphia, PA. On a 213-acre site, OCC operates a facility to manufacture polyvinyl chloride (PVC) resins from vinyl chloride, vinyl acetate and maleate monomers. Wastes from the PVC manufacturing process were disposed of in a number of facilities, including: an inactive 17-acre landfill; an active 7-acre landfill; four inactive, unlined seepage lagoons; and two active lined lagoons.

A spill of trichloroethylene (TCE) occurred in 1984, and high levels of TCE were discovered in on-site water wells. The primary environmental concern at this site is the contamination of groundwater with PVC and TCE. About 14,522 persons are at risk, because they are dependent for drinking water on wells located within three miles of the site.

RAI has identified owners, operators and generators as parties potentially responsible for disposing of hazardous/industrial wastes at the waste disposal facility site; these parties include:

- ✓ ● Occidental Chemical Corporation
- ✓ ● Firestone Tire & Rubber Company
- General Services Administration, Office of Real Estate Sales
- Jacobs Aircraft Engine Company

Research reveals that Occidental Chemical and Firestone Tire & Rubber are in sound financial condition, and are in a position to pay for cleanup costs. General Services Administration is a Federal Agency. Jacobs Aircraft Engine Company and its successors are no longer in business.